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ARAB TIMES

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Hijackers show concern for their own safety

Kuwait rejects demand for fuel

LARNACA, April 10, (Agencies): The hijackers of a Kuwait jumbo jet offered to free 20 of their captives in return for fuel today, but Kuwaiti authorities turned them down, informed sources close to negotiations reported.

The hijackers made the offer after Palestinian and Cypriot mediators sought to calm them down after the flight engineer aboard the plane reported the sky pirates had "started to hurt" passengers.

The hijackers got rough after their demands for the plane to be refueled and the release of 17 pro-Iranian bombers imprisoned in Kuwait were not met, the engineer said in a radio call to the control tower at Larnaca airport.

Islamic Jihad group threatened to kill Western hostages it holds in Lebanon if the plane was stormed.

The threat was accompanied by photographs of Frenchman Jean Paul Kauffmann and American Terry Anderson, two of the group's five hostages.

A Kuwaiti official involved in negotiations at Larnaca airport said a passenger had been injured but he had no details.

He said the latest offer by the gunmen, who seized the jet with 112 people aboard over the Arabian Sea last Tuesday, was to release 20 of the remaining hostages in return for fuel.

The hijackers earlier threatened they would kill their captives in a "slow and quiet massacre." But a noon (0900 GMT) deadline passed without any apparent incident.

One minute before a second deadline expired four hours later, the engineer, who the hijackers are using to relay messages to Larnaca airport control tower, said: "They've already started to hurt one of the passengers." He gave no details.

But the sources, speaking on condition of anonymity, said after senior PLO officials met with the hijackers four times today, that the sky pirates appeared to be softening and were showing increasing "concern for their own safety."

Asked about the possibility, he replied: "Yes, I would say yes."

A Kuwaiti Lear jet was seen arriving and leaving Larnaca international airport, where the hijacked airliner sat on the tarmac, and one source said a Kuwaiti delegation had been in contact with the hijackers.

The source, who asked not to be identified further, predicted some hostages would be released within 24 hours.

PLO chairman Yasser Arafat arrived in Kuwait from a visit to Moscow. Although his arrival in Kuwait was scheduled, to attend an Islamic Conference, informed Palestinian sources in Cyprus said he would be meeting Kuwaiti leaders about the hijacking.

Arafat said in Moscow yesterday that the PLO had "offered all that we have to... release the hostages and find a positive end to this tragedy."

State-run Cyprus Television reported that Arafat spoke with PLO and Kuwaiti officials in Larnaca airport in a direct telephone link several times. But it gave no details.

Asked about Arafat's efforts, Fantis noted: "I must say he is giving us a very helpful hand in the whole situation."

In between meetings with the

Attempt

They also warned against any military attempt to storm the plane, standing off the runway in the open about 400 metres from the main Larnaca terminal.

The gunmen told British Prime Minister Margaret Thatcher that any troops would be sent back as corpses. Britain has two big bases on Cyprus and Lebanon Radio had broadcast speculation of possible military action.

In Beirut, the pro-Iranian

Refused

But he said they would get "not a drop" before releasing all the hostages, most of them Kuwaitis.

Kuwait so far has refused to comply with the demands for the release of the 17 prisoners in Kuwait.

The hijackers told Larnaca control tower to stand by for a statement from one of the three members of Kuwait's ruling Al Sabah family trapped aboard the plane.

A man came on the radio and quoted the Holy Quran in Arabic: "Nothing happens to us unless it is God's will." It was not clear if he was a hijacker or an Al Sabah.

Good news

One commented: "This is good news." But he declined to elaborate.

The PLO officials, based in Cyprus, have become a key factor in negotiations to end the six-day-old hijack drama.

Cyprus government spokesman Akis Fantis, asked at a news conference if he expected results tonight, said: "I hope to say yes, but can't be sure." He did not elaborate.

Akis Fantis told a news conference this evening Cyprus might be willing to let the hijackers go free if they released the

Continued on Page 2



We will not bow to hijackers: Amir

HH the Amir of Kuwait, on whose palace the hijackers of a Kuwait Airways jumbo jet have threatened to crash their commandeered Boeing 747 unless their demands are met, said yesterday he will not bow to the hijackers' demands — even if three members of the Kuwaiti royal family remain hostages aboard the plane.

The Amir said the presence of three members of Al Sabah family aboard the hijacked jet would not force any concessions from Kuwait.

Demands

"The air pirates believed the presence of people from the royal family would lead the Kuwaiti government to how to their demands," the Amir said.

"This is wrong because we do not distinguish between our citizens," the Amir said.

The Kuwaiti cabinet yesterday condemned the killing of a hostage on the hijacked Kuwaiti jetliner as newspapers accused the government of Iran, or political factions there, of involvement with the gunmen.

Minister of State for Cabinet Affairs, Rasheed Al Rasheed, branded the shooting of a 24-year-old Kuwaiti as a "hideous crime."

He said the cabinet expressed appreciation to Cyprus for allowing the plane to land on Friday as the pilot radioed it was running out of fuel after flying from Iran.

Uphold

The cabinet also said it appreciated Cypriot efforts to negotiate for the release of captives aboard the airliner.

But he said the ministers were firmly determined to uphold "the firm principles which Kuwait has always pursued."

That was seen as a reiteration of Kuwait's refusal to give in to the hijackers' demand for the release of 17 terrorists.

The cabinet began its regular weekly meeting with a reading from the Holy Quran "in mourning for the martyrdom of the member of the Border Guards Force, Mohammed Abdullah Habab Shubih Al Khalidi, who was assassinated by the criminal hijackers."

Reviewed

The cabinet met under the chairmanship of HH the Crown Prince and Premier, Sheikh Saad Al Abdullah.

The ministers reviewed the latest report on the hijacking from the Minister of State for Foreign Affairs, Saoud Mohammad Al Ossaimi.

1,000 injured in carnage

Ammunition dump in Islamabad explodes killing at least 76

ISLAMABAD, April 10, (Agencies): An exploding ammunition dump sent hundreds of grenades and anti-aircraft missiles screaming in all directions today, killing at least 76 people and wounding almost 1,000 in Islamabad and adjacent Rawalpindi, officials said.

The Pakistani capital looked like a city at war. Flames from the explosion roared 500 feet (150 metres) into the air and for 35 minutes projectiles whizzed overhead, slammed into buildings, roads, buses and cars. Some landed more than six miles (10 kms) away.



A man seriously injured in the explosion is brought to the Rawalpindi General Hospital.

Screaming

People, some spattered in blood, ran screaming and crying in search of family members among the smoldering buildings.

"It's the worst disaster we've ever had in Islamabad," said an emergency room doctor at the National Medical Institute as he directed ambulances with a bull-horn.

Casualty counts were still unofficial at night. The government said it had no overview of the damage or number of victims. Doctors said many of the wounded were in critical condition.

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Our hearts are broken and our eyes are welled up" (with tears), said President Mohammad Zia-ul-Haq in a statement from Kuwait, where he was to attend an Islamic summit. He declared an emergency at all civilian and military hospitals in the area and radio appeals for blood and medicine were broadcast throughout the day.

He rushed back to Islamabad. Prime Minister Mohammad Khan Junjo ordered an investigation into the blast, which officials said, they believed was caused by a fire. He also promised compensation for the victims.

The initial explosion occurred at 9:55 am (0455 GMT), rocking the two cities and sending people fleeing from offices and schools.

The twin cities, with a combined population of more than 4.5 million, resembled a war zone.

One rocket struck the auditorium of the International School of Islamabad where the

Conduit

The ammunition dump is located at Faizabad crossing where the federal capital ends and Rawalpindi begins.

Witnesses said several trucks with Afghan licence plates were parked near the Army facility.

Pakistan serves as a conduit

'It was like a volcanic eruption'

By Ashraf Shad

"It appeared as if a volcano had erupted. Rockets were flying in all directions. Both Islamabad and Rawalpindi were shaken by a series of successive explosions," an eye-witness told a relative who contacted him by telephone yesterday from Kuwait.

The twin cities resembled a war zone with panicky people running in all directions and exploding rockets raining on them.

The tragedy caused a great concern among the Pakistanis in Kuwait particularly those whose relatives live in Rawalpindi and Islamabad. The Arab Times editorial office was flooded with numerous calls by Pakistanis

who wanted to know the details of the incident.

Relatives of some Pakistanis said from Rawalpindi that ambulances and police cars were rushing to the scenes of blasts and all the local hospitals were filled with the wounded. Many of the victims had to be rushed to the hospitals in nearby suburbs.

"Some of the wounded were taken to Taxila and other nearby towns for treatment."

These relatives said that there was great rush for blood donation after the government made appeals over local radio stations.

It was also learnt that the director-general of the Water and Power Development (Wapda) was among those who were killed in the blasts near Islamabad.

Another eye-witness told his relative that a missile landed near

a junior school across the Murree Road in Rawalpindi and the school was evacuated. The missile did not explode but another missile fell on the school and exploded causing heavy material damage to the building.

Another missile hit a house in the G Sector of Islamabad but fortunately nobody was injured as the inhabitants were in the basement.

DAY BY DAY

I WONDER why expatriates are not allowed learner's driving licences and driving licences. The decision prohibiting them from having these licences may have been issued as an attempt to reduce the number of cars on the road or the number of drivers. In either case we are not achieving the objective.

We are only hurting ourselves by not allowing expatriates to have licences because we force them to bring private drivers from abroad or request Kuwaiti friends to help them bring a driver.

Many expatriates have waited for the time when their children are grown and able to get a driving licence, only to be confronted with this decision prohibiting them from having a licence.

This ban on licences might have been appropriate previously, but it is not at present and should be revised.

Zahed Matar

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آج کے اردو صفحات میں

- راولپنڈی اسلام آباد میں دھماکے کے بعد میزائلوں کی بارش
- صدر ضیاء الحق وطن واپس چلے گئے
- ہائی تکیروں نے دھمکیاں کو عملی جامہ پہنا شروع کر دیا
- افغان مہاجرین نے ایک طیارہ مار گرایا، 4 ہزار مسافر ہلاک
- صدر ضیاء کا پاکستان کیوں نئے خطاب

WEATHER

CLOUDY weather with light to moderate southeasterly wind and a chance for rain.
State of sea: moderate to rough
High water: 8:30 am, 5:30 pm
Low water: 12 noon, 12:00 am
Sunrise: 5:26 am
Sunset: 6:13 pm
Maximum temperature recorded:
Kuwait: 33°C (91°F)
Ahmad: 27°C (81°F)
Faiaka: 29°C (84°F)
Minimum temperature recorded:
Kuwait: 21°C (70°F)
Ahmad: 24°C (75°F)
Faiaka: 24°C (75°F)
Maximum temperature expected:
Kuwait: 32°C (90°F)
Ahmad: 27°C (81°F)
Faiaka: 29°C (84°F)
Maximum humidity recorded:
Kuwait: 47 per cent
Ahmad: 68 per cent
Faiaka: 75 per cent
Maximum humidity expected:
Kuwait: 75 per cent
Ahmad: 85 per cent
Faiaka: 90 per cent

Leiri returns home

Arab Times report

FADHEL Abdul Rasoul Leiri, the hostage who was released by hijackers on Saturday, returned to Kuwait yesterday on an executive jet, it was learnt. But his whereabouts are not known, and his family was anxious to know about him last night.

A Kuwaiti official involved in negotiations in Larnaca, Cyprus, said Leiri returned to Kuwait yesterday.

Leiri's wife and children and other family members rushed to the Kuwait International Airport yesterday evening after being notified unofficially that Leiri would be arriving.

After reaching the airport they were unable to get information from anyone as to the arrival or whereabouts of Leiri. Leiri's wife's sister said they just wanted to be there when he arrived so he would see his family "after all that he had been through."

Reasons

Leiri, a computer engineer with Khorafi Business Machines, was released for health reasons after a series of negotiation sessions with hijackers in Larnaca.

His sister-in-law said Leiri had been suffering from asthma and it was assumed that he was released because of this condition probably aggravated due to the extreme physical and emotional stress.

Yacoub Abdel Rasoul, Leiri's elder brother, said Fadhel was a

(Continued on Page 2)



Experienced pilot

THE captain of the Boeing 747 hijacked six days ago to Iran and now held at Larnaca airport in Cyprus, is one of the most experienced pilots flying for Kuwait Airways.

Sobhi Naim Youssef, 53, an Iraqi national, kept his cool during four hours of terror on Friday over Beirut airport where authorities refused landing rights and Syrian soldiers fired warning shots.

According to a profile released by Kuwait Airways Corporation (KAC) yesterday, Youssef has logged a total of 19,303 flying hours since joining the airline in 1968.

He has been a Boeing 747 captain since 1978, but has also flown Lockheed Tridents and Boeing 707s. He is married with two sons and a daughter.

Co-pilot Eid Rashid Al Azmi, 30, a Kuwaiti, joined KAC nine years ago. Married with three daughters, he has logged 4,428 hours in Boeing 747s and 707s.

The senior flight engineer, Ayed Eid Al Shumailan, 43, a Kuwaiti, has 6,455 flying hours. He is married with two sons and two daughters.

Number mystery

From Jadranka Porter in Amman

THE seven released cabio crew and 49 passengers who arrived to Kuwait on Friday morning were debriefed in a separate session, according to a KAC source.

Forty nine passengers were taken to the airport VIP lounge while the crew were whisked away immediately upon arrival

(Continued on Page 3)

SAS unit flown to Cyprus

LONDON, April 10, (AP): An elite British commando unit was sent to monitor activity aboard the hijacked Kuwaiti jet in Larnaca and offer support for a possible Cypriot-led rescue mission, a British newspaper reported in Sunday editions.

The Sunday Telegraph reported that a 35-member Special Air Service detachment was on full alert at the British air base in Akrotiri and, if requested by the Cypriot government, would support a Cypriot-led rescue operation.

The Foreign Office has said only that Britain is in close contact with authorities in Kuwait and Cyprus.

In Nicosia, senior Cypriot officials stressed that the government has not requested British military assistance to help resolve the hijacking.

"We seek only to end this crisis peacefully and without force if at all possible," one official said.

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(Continued on Page 3)

OIC mini-summit opens

Amir hopes Iran will respond to peace efforts

By Fathima Ahmed

HH the Amir of Kuwait last night said "reconciliation is best" to halt the Iran-Iraq war.

Opening the meetings of the Bureau of Organisation of Islamic Conference (OIC) last night, the Amir also urged Muslim nations to support the Palestinian uprising.

Safety

The mini-summit opened amid shadows of two incidents the "tragic accident" in Pakistan and the hijacking of the Kuwaiti

airliner.

The Presidents of Turkey, Pakistan and Maldives and the Prime Minister of Morocco and PLO leader Yasser Arafat attended the opening ceremony.

The Amir prayed for the safety of the 50 passengers on board the hijacked KAC airliner and appealed to the Almighty Allah to have "mercy on the victim who was killed" and protect the remaining passengers who are still on board the plane in Cyprus.

Commenting on the Gulf war, the Amir deplored the escalation

of the Gulf war and expressed hopes that Iran will respond to peace efforts by the United Nations or the OIC and negotiate a peace settlement. Both warring states are members of the OIC.

Sorrow

Calling on Islamic nations to back the Palestinian uprising, he said it is the "topmost priority" which now needs "outside support" to continue the "internal resistance." He said the uprising, which entered its fifth month last Friday, "reflects the Palestinian

people's determination to regain their inalienable rights, including the right to self-determination and the setting up of an independent state under the PLO leadership."

The Amir expressed his "deep sorrow" about the explosions in Islamabad.

The Amir said: "Every time we wanted to assemble Muslims, the gathering was preceded by or coincided with incidents of explosions and intimidation." He described these were "intended to tarnish the image of Islam and undermine efforts and dis-

tract attention from major issues facing the conference."

The Amir welcomed Soviet Union's decision to withdraw its troops from Afghanistan saying that "such a step would help the Muslim country rebuild its future."

The Amir also urged pilgrims performing the haj this year to "cooperate with the Saudi authorities and perform the haj in a peaceful manner."

President Zia, who left for Pakistan last night said in his speech before departure, that the Islamic nation was facing fresh

challenges, urging Muslim nations to unite, and "redouble efforts to strengthen the Islamic ummah and eschew those trends which are likely to divide us and diminish the strength that comes from unity."

Zia said: "Much remains to be done to solve the old problems which the Islamic nations are still facing." He cited the Afghan issue, the Palestinian cause and the Gulf war as some of the problems.

He also condemned the use of

(Continued on Page 4)

INTERNATIONAL

Egypt must play a key role, says Hassan

PLO seeks Arab summit

ABU DHABI, April 10, (UPI): The Palestine Liberation Organisation is insisting on a "key" role for Egypt in any future negotiations to resolve the Arab-Israeli conflict, a senior PLO official was quoted as saying today.

Hani Al Hassan, political advisor to PLO chairman Yasser Arafat, told the United Arab Emirates semi-official newspaper Al Itihad the PLO was also lobbying for an Arab summit meeting to be attended by Egypt.

Although most Arab countries have restored relations with Egypt earlier this year, a campaign led by Syria and Libya is preventing efforts to reinstate its membership in the 21-nation Arab League. Egypt's leading role has been frozen since its 1979 signing of the US-sponsored Camp David peace treaty with Israel.

Al Hassan said he told Egyptian President Hosni Mubarak during a meeting in Cairo Saturday "the PLO is committed to a key role for Egypt in the peace process and the (proposed) international conference" on the Middle East.

"Egypt represents the cornerstone in the Palestinian political movement," the Abu Dhabi-based Al Itihad quoted the PLO official as saying.

Al Hassan said Arafat will visit

Cairo for a meeting with Mubarak following his current trip to the Soviet Union to lay down a "final perspective" for future political action, which he said will be in "full coordination" with the Soviet Union.

He said Arafat's visit to Egypt will coincide with a tour of several Arab capitals by a Soviet envoy, possibly Foreign Minister Eduard Shevardnadze.

The PLO official said the Soviet envoy will be touring the Middle East on a fact-finding mission before a meeting scheduled in Moscow April 21 between Shevardnadze and US Secretary of State George Shultz. Shultz, who has visited the region three times during the past two months, is promoting a new US peace plan that has already been rejected by the PLO because it only offers limited Palestinian self-rule in the Israeli-occupied West Bank and Gaza Strip.

Al Hassan said the PLO would send a delegation to prepare for a meeting between Arafat and King Hussein of Jordan later this month.

Relations between the two sides have been strained after Hussein, angered by Arafat's reluctance to accept United Nations resolutions 242 and 338, halted joint peace moves in 1985.

The PLO has repeatedly rejected the two resolutions, which recognise Israel's right to exist

but treat the Palestinian question as a problem of refugees.

Meanwhile, Kremlin leader Mikhail Gorbachev has called for Palestinian recognition of Israel as essential in the search for Middle East peace, the Communist Party newspaper Pravda reported today.

Gorbachev made his comments during talks with Palestine Liberation Organisation (PLO) leader Yasser Arafat on Saturday.

"The Palestinians are a people with a difficult fate," Gorbachev said. "But they receive broad international support, and this is the guarantee for resolving the main question for the Palestinians—self-determination."

"In the same way, recognition of the state of Israel, consideration of its security interests, the solution of this question is a necessary element for the establishment of peace and good-neighbourliness in the region based on the principles of international law."

Gorbachev said the Kremlin sought a Middle East settlement taking account of the interests of both Arabs and Israelis.

He said this should include the withdrawal of Israeli troops from territories occupied during the 1967 Arab-Israeli war, self-determination for the Palestinians and a United Nations-sponsored international peace conference.

Ammunition dump in Islamabad explodes

(Continued from Page 1)

ambulances with sirens wailing shuttled in the wounded. Crowds, some arriving in buses, came to donate blood or inquire about loved ones.

None of the estimated 25,000 foreigners living in Islamabad was reported hurt.

The government announced three days of national mourning, during which flags would fly at half mast and all official functions were cancelled.

Islamabad is a suburban-like city of about 500,000, built during the 1960s to replace Karachi as the capital. In addition to government buildings, it contains about 85 foreign embassies and several offices of the United Nations and other international relief agencies.

The official Pakistani news agency later reported eight people were killed and 12 others injured this afternoon when a fire broke out in a small arms manufacturing factory in the town of Rana, near the ancient city of Lahore, 143 miles (230 kilometres) south of Islamabad.

The agency did not say what caused the fire and gave no further details.

At least seven people were wounded in a powerful bomb explosion at a Saudi Airlines office in Pakistan's highest city of Karachi tonight, police said.

Doctors said the condition of one man was serious.

Police said the explosion damaged the airline's office about 100 metres (yards) from local government buildings, including the Sind provincial assembly.

3 Iraqi towns shelled

BAGHDAD, April 10, (Reuters): Iraq said today that several civilians were killed or wounded when Iranian artillery shelled three Iraqi towns last night and this morning.

A war communiqué also said some houses were damaged in the towns of Khanagiq, Darbandikhan and Ali Al Gharbi.

Iraq has reported no missile attacks or air raids on Iranian towns since Friday morning when it said it had stopped attacks to enable "good and responsible people" in Iran to elect those who would agree to end the Gulf war. Iran held parliamentary elections on Friday.

The communiqué said Iraqi warplanes and helicopter gunships flew 200 missions against Iranian military positions today and all returned safely.

The Iranian news agency Iraa quoted a war spokesman in Tehran as saying Iran reciprocated Iraq's halt in attacks on cities.

Soldiers on alert in Manila

MANILA, April 10, (Reuters): Soldiers were put on full alert in the Philippine capital today amid reports that escaped coup-attempt leader Colonel Gregorio Honasan might try to free other dissident soldiers from prison, the Army commander said.

Brigadier-General Mariano Adame did not say how many were ordered but the government-owned Philippine news agency said about 2,000 crack troops had been deployed to thwart possible rebel attempts against President Corazon Aquino.

Aquino leaves on Thursday for a three-day visit to China and Hong Kong.

Adame said that according to intelligence reports, Honasan and his group would try to free several rebel soldiers detained for alleged involvement in an attempted coup last August.

Honasan escaped from a prison ship eight days ago and another jailed coup leader, Lieutenant-Colonel Eduardo Matillano, fled custody on Friday.

Aquino is pushing ahead this

week with her first foreign trip since 1986 in a bid to convince the world that she remains securely in charge despite gathering coup clouds.

When the bespectacled, 55-year-old President puffs up the Great Wall of China on Friday she will be also issuing a challenge to her enemies to do their worst while she is away.

"She wants to show the country is stable. She's saying 'look, I'm not worried, things are not as bad as you read in the papers,'" an official close to the President said.

Five people arrested

ISTANBUL, April 10, (Reuters): Turkish police arrested five people on smuggling charges after confiscating 11.5 kilos (25.3 pounds) of heroin brought across the Iranian border by road, police sources said today.

The heroin, destined for Western Europe, was discovered during spot checks on trucks at a petrol station at Silivri, near Istanbul.

About 1,300 kg (2,860 pounds) of heroin from Afghanistan, Iran and Pakistan were confiscated in Turkey last year, triple the 1986 amount.

Narcotics experts say the quantity coming over the Iranian border is increasing at an alarming rate.

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Two dead men lie on the ground as relief workers look on after an explosion at a Pakistani arms depot near Islamabad. (Reuters wirephoto)

New York governor rules out presidential nomination bid

NEW YORK, April 10, (Reuters): New York Governor Mario Cuomo has asked supporters not to consider a campaign to draft him as the Democratic Party's presidential nominee.

"I'm flattered by the implicit compliment it represents, but I ruled out a candidacy in any form a long time ago," Cuomo said in a letter to former congressman Richard Ottinger.

A spokesman for Cuomo said the Governor released the letter to forestall plans by Ottinger to announce a Draft-Cuomo campaign on Monday.

Cuomo himself told a news conference on Saturday in the state capital, Albany: "It's ruled out. It always has been ruled out."

Cuomo's keynote address to the 1984 party convention electrified Democrats and he has often been mentioned as a possible draft nominee in the event of a

deadlocked nominating convention next July in Atlanta.

His state's April 19 presidential primary election is considered crucial to the three remaining Democratic contenders, Massachusetts Governor Michael Dukakis, the frontrunner, black civil rights campaigner Jesse Jackson and Tennessee Senator Albert Gore.

They are seeking to win the support of New York's 255 delegates to the Democratic national convention which will choose the party's candidate for the November presidential election.

Meanwhile, New York City Mayor Edward Koch has attacked Jackson's position on the Middle East saying it is anti-Israeli and pro-Arafat. In a city said to have the largest Jewish population in the world, Koch's attacks could mean a

serious setback for Jackson, who took to the streets of New York on Saturday to urge a ban on handguns and narcotics and call for more campaign debate on the problems of Panama, Haiti and South Africa.

The latest statewide poll showed Dukakis leading Jackson 47 per cent to 31 per cent. Gore, a moderate, is still in single digits.

Jackson swept through ethnic neighbourhoods in Brooklyn, which provided 25 per cent of all the votes he got in the 1984 New York primary.

Starting with an exuberant fund-raiser at a church in Bedford-Stuyvesant, the heart of the Brooklyn's black community, Jackson moved to West Indian, Hasidic Jewish and "Yuppie" neighbourhoods.

Jackson scoffed at attacks from Gore, who is making New York a test of his campaign.

Ershad summons Parliament

DHAKA, April 10, (AP): President Hussain Muhammad Ershad has called Parliament, elected in controversial polling last month, into session starting April 23, a government statement said.

The announcement late last night gave no details on what the Parliament would discuss. Ershad earlier announced that a bill seeking to make Islam the state religion would be introduced in the first session of Parliament.

More than 86 per cent of Bangladesh's 104 million people are Muslims.

The election last March 3 was boycotted by the 21 main opposition parties, which have been

staging rallies and strikes since last Nov 10 to try to oust Ershad. They contend that fair elections cannot be held until Ershad resigns.

Ershad, a former Army general who assumed power in a bloodless coup in 1982 and won election to the presidency in 1986, has refused to resign.

Strike

The opposition has pledged to hold a dawn-in-dusk general strike to try to block the opening of the 300-seat Parliament.

The opposition parties have called for rallies in the country's 64 district capitals Monday and a

nationwide strike Tuesday to renew their "Ershad must go" campaign.

Ershad's party won 251 seats in the Parliament, a fourth since the country's independence in 1971. Minor opposition parties and independents hold the rest.

Two men were killed and more than 100 people injured in gun battles between rival groups during elections to some Bangladesh rural councils on Saturday.

Police said the two died in similar incidents at Chakaria in southern Bangladesh and Dhamrai, 37 km east of Dhaka. Several policemen were hurt by gunfire at Chakaria.

Kuwait rejects demand for fuel

(Continued from Page 1)

PLO officials, several of the hijackers, wearing blue hoods fashioned from airline pillowslips, ripped out inflatable orange-coloured escape chutes inside the Kuwait Airways Boeing 747 and dumped them on the tarmac.

Then they demanded ground staff remove them so the chutes would not obstruct the Boeing 747.

The engineer radioed the tower at 3 pm (1200 GMT): "The hijackers are dictating this message. If they don't get a positive response in one hour and 15 minutes regarding fuel and services, they will start hurting occupants of the aircraft."

The engineer said an unspecified number of passengers were "sick". The hijackers listed six captives ill yesterday, but one was later freed.

When the tower urged the hijackers to free the sick passengers, the engineer replied: "Negative."

The hijackers said earlier they would force the pilot to take off and crash into Kuwait's royal palace.

There are believed to be 53 people still aboard the Boeing, including three members of Kuwait's ruling Al Sabah family and at least six hijackers.

The hijackers have killed one hostage since they seized Kuwait Airways flight KU 422 with 112 people aboard on a flight from Bangkok to Kuwait on Tuesday and forced it to land in Mashhad, northeast Iran.

In Kuwait, a senior security source today identified the slain passenger as Abdullah Mohammad Habbab Shabeeb Al Khalidi, 25, an officer in Kuwait's Border Guard Regiment. The source declined to comment on reports he also was working as a security guard aboard the hijacked airliner.

Indicated

Fantis said today that marks on the man's body indicated he had been badly beaten 18-24 hours before he was slain.

The hijackers released 57 passengers in Mashhad.

Cypriot officials said the airport at Sanat in North Yemen was closed to traffic after the hijacking. They said the hijackers wanted to fly there.

The director of Sanat international airport, Mohammed Al Faqeh, said the facility was shut down because of bad weather, but said Yemeni airspace was closed to the hijacked Kuwaiti jumbo.

The PLO envoy in Cyprus, Samir Abu Ghazaleh, met with the hijackers today, mounting a mobile staircase to enter the plane. He came out and stood on the steps, apparently while the hijackers conferred inside the plane.

Leiri returns

(Continued from Page 1)

member of an IBM team sent to Bangkok on business.

The IBM regional manager, Mustafa Rngibani, flew to Kuwait from Paris four days ago following the hijacking of flight KU 422 and left for Cyprus Saturday night. IBM has extensive business dealings with the Khorafi company.

Till the time of writing this report Leiri's family had received no word from him.

Kuna adds: The body of Abdullah Mohammed Al Khalidi, who was killed by the hijackers will be sent to Kuwait from Cyprus in the next few days, most likely on Tuesday.

29 killed as Afghan rebels shoot down plane

ISLAMABAD, April 10, (Agencies): Afghan Muslim guerrillas shot down a Soviet-built Antonov-26 passenger plane today near the Soviet border, killing 29 people, Radio Kabul reported.

The official radio said the plane was flying between Maimanchi in the northwestern Faryab province and Mazar Sharif in the Balkh province about 143 miles (230 kilometres) to the east.

The dead included two children, eight women and six crew members when the plane was shot down at 3:10 (1040 GMT), the report said.

Rockets

It did not say whether it was a civilian jet or the domestic Bakhtar airline or a Soviet transport plane, both of which fly the 25-seat AN-26.

The Afghan airline also has been known to carry commercial passengers in planes with military markings.

Discover gold

Government Warning: Smoking is a major cause of cancer and diseases of the lungs, heart and arteries.

دولت اسلامی

Pakistan is making efforts: Zia

Islamisation remains the goal

By Hamid Siddiqui

PAKISTAN'S President Zia-ul-Haq praised brotherly relations with Kuwait and said the Pakistanis working here enjoy respect at all levels.

He told a gathering of Pakistanis at the Regency Palace hotel on Saturday night that there are about 55 projects in Pakistan run with Kuwait's financial assistance.

He admitted there are trade imbalances between the two countries, but said the Pakistani government is taking serious steps to minimise such gaps.

Describing Afghanistan as the most complex and crucial issue of Pakistan's foreign policy, Zia said the Afghan crisis is at its last stages and an agreement is expected to be signed in Geneva "any moment".

Settlement

He hoped the estimated three million Afghan refugees, now in Pakistan, would return to their homeland once suitable conditions prevail after the withdrawal of Soviet troops. He also hoped the Muslim and Non-Aligned character of Afghanistan would be restored.

Zia thanked the United Nations, the United States and some Arab countries for their contribution towards the Afghan settlement.

President Zia devoted much of his speech in answering a question why he failed during his 10-



Zia-ul-Haq

year martial law rule to implement Islamic law (Sharia) in Pakistan.

Zia said he provided the basis for Islamisation in the country and the present civilian government of Prime Minister Mohammad Khan Junejo is making serious efforts in that direction.

He said it was a wrong notion that the whole of Pakistan would turn into an Islamic society by the push of a button.

"I ruled the country for 12 years in the name of Islam and did everything possible to implement the Sharia," and it is now upto the present National Assembly to pass the ninth amendment to the constitution or the private Sharia Bill," Zia said.

He claimed that no law in Pakistan is contrary to the Islamic Sharia and in his life time "the whole country will turn into the

Islamic society.

Zia blamed religious parties in Pakistan for creating a split among the people by propagating various brands of Islam.

Progress

"Every religious group, which in fact is a political party wants that his brand of Islam should be implemented," he added.

Earlier, the Planning Minister Dr. Mahboob-ul-Haq told the gathering that Pakistan has achieved "unprecedented" economic progress during the past 40 years and the country is now ahead of all members of the South Asian Association for Regional Cooperation, Saarc.

He said the Pakistanis working abroad have made great contribution in improving their home economy.

"We are now opening the door for private investment and PL procedures are being simplified," Haq said.

He urged the Pakistanis abroad to utilise the opportunity and invest their savings in various profit-earning schemes in the country.

The Minister of State for Petroleum and Natural Resources, Nisar Ali Khan told the audience that Pakistan has great potential in gas and petroleum which are being developed very rapidly.

"A time will soon come when Pakistan will not only achieve self-sufficiency in oil and gas but will join the ranks of oil exporters," Khan said.

Saudi Arabia denies sabotage at Jubail petrochemical plant

RIYADH, April 10, (AP) Saudi Arabia issued an official statement today to quell speculation that a fire at a petrochemical plant in Jubail industrial city on the Gulf coast was sabotage.

The official Saudi Press Agency quoted a "responsible official" of the Saudi Petrochemical Co., known as Sadaf, as saying, "there is no indication so far that the fire which broke out at the ethylene depot was an act of sabotage."

Oil industry and shipping executives in the kingdom's eastern province last month reported a fire at a storage tank at the Sadaf plant, a joint Saudi venture with US Steel that had been for several years under construction to let it burn out.

The plant is one of several at the Jubail petrochemical complex and produces more than 2 million tons of highly inflammable material a year.

Accident

The fire was put out April 5. There have been no estimates of losses so far or reports of any casualties, the sources said. They spoke on condition of anonymity.

The Sadaf official gave no details, but insisted the fire was considered "an ordinary industrial accident."

But he added that if that something occurred to revise that judgement, it would be announced publicly.

That incident and others followed Iranian threats against Saudi Arabia's ruling family.

Relations between the two countries plummeted after riots in the holy city of Makkah, in Saudi Arabia, July 31, which the Saudis charge were instigated by the Iranians.

Speculation: More than 400 Muslim pilgrims, most of them Iranians, were killed in clashes with Saudi security forces.

The sources noted another fire late March in a pipeline at a terminal run by the Arabian American Oil Co., Aramco. They said it was minor and was immediately snuffed out.

The Aramco oil terminal is about 30 miles (50 kilometres) from Jubail.

The suspicions of sabotage were fuelled by the way the two incidents followed each other.

The sources said they had heard that a clock face and wiring were found under the Aramco pipeline that caught fire, raising speculation of a bomb.

There had been speculation that the Sadaf plant fire was started off by an explosion.

Play down

Other sources, speaking on condition of anonymity, said the security fence around the facility had been breached before the incident.

None of that could be officially confirmed and the SPA statement indicated the Saudis were seeking to play down the incidents, at least until it determined what happened.

Security was tightened at all oil installations in the area after the incidents and personnel were questioned.

The natural gas processing plant of Juaymah, halfway between Jubail and Aramco's major oil terminal at Ras Tanura, was ripped by a severe explosion last August. Officials said four people were injured.

Khalidi's mother faints

By Nasser Al Tamimi

JASSEM Al Khalidi, the elder brother of Abdullah Mohammed Habbab Shabeeb Al Khalidi, was the first member of the family to learn about the death of his brother, Abdullah who was killed by the hijackers of the KAC jumbo jet.

He was told by a relative working in the Interior Ministry.

Vacation

He said his brother was employed as a border guard. He added that Abdullah, 25, and his nephew, Faisal, 24, had gone on a 20-day vacation to Thailand.

Faisal is still on board the hijacked plane.

When Abdullah's relatives learnt of his death, some of them broke down and an ambulance had to be called.

Abdullah's mother, who suffers from diabetes and hypertension had fainted on receiving the news.

Hoped

But Abdullah's sister was the most distressed because her son, Faisal, was still on the aircraft.

Faisal's father, Mohammad Al Anjari, hoped that the incident would be solved peacefully. He hailed the attitude of the Kuwaiti government and the authorities and the great efforts they were making.

Number mystery

(Continued from Page 1)

to another room elsewhere in the airport building.

This is why the reports on the number of released hostages arriving in Kuwait varied.

There were 12 cabin crew on the plane at the time of hijacking, the source said. Five of them — a Kuwaiti, an Egyptian and three Jordanians — are still on the plane.

Kfas Kuwait Prize awards

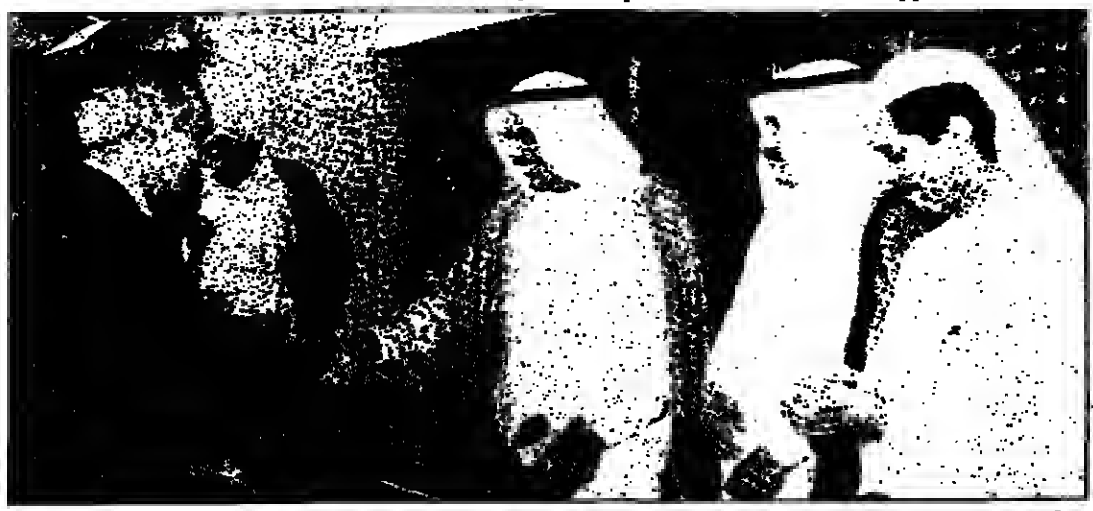
KUWAIT Foundation for the Advancement of Science (Kfas) held its annual festival under the patronage of HH the Amir to distribute prizes to winners of the Kuwait Prize for 1987.

Kuwait's Minister of State for

Cabinet Affairs Rashed Al Rasheed, speaking on the occasion, praised the role of Kfas and the service it renders to the scientific community and the Arab world by encouraging scientific research.

Al Rasheed presented prizes to

the two Kuwait Prize winners for 1987 Dr Ali Saraj and Dr Abdul Hameed Sabra, both Egyptian nationals working in the US. The prize for each winner was KD10,000, a Kfas plaque and a certificate of appreciation.



The two KD10,000 Kfas Kuwait Prize winners for 1987 Dr Ali Saraj (below), Dr Abdul Hameed Sabra (above) are presented their prizes, a plaque and a certificate of appreciation by Minister of State for Cabinet Affairs Rashed Al Rasheed.



Houti's role in developing agriculture praised

KUWAIT'S Minister of State for Cabinet Affairs Rashed Al Rasheed and the chairman of the Public Authority for Agriculture and Fish Resources Sheikh Ibrahim Duaij Al Sahah hosted a reception in honour of the former authority chairman and Public Works Minister Abdul Rahman Al Houti.

Al Rasheed praised the role of Al Houti in developing the authority's programme for agriculture and fish resources. He added that Kuwait is now emphasising the role of agriculture in the country in achieving food security. Agriculture plays a significant role also in the national income, he said.

Minister Al Houti expressed his appreciation for the reception and encouraged officials of the authority to continue their work in achieving the directives of HH the Amir.

Cooperation agreement

KUWAIT and Iraq yesterday signed a cultural and scientific cooperation agreement which provides for extensive exchange of expertise and cultural resources.

The accord on the executive programme, was signed for the Kuwaiti government by Secretary-General of the National Council for Culture Arts and Letters Dr Suleiman Ibrahim Al Askari and for Iraq by its Ambassador here Asem Yaqub Youssef.

Under the agreement the two countries will seek to promote their cooperation in research areas related to environmental pollution, fisheries, desertification and marine ecology.

Baghdad and Kuwait plan to exchange radio and television programmes, cultural exhibits and visits of sports teams and special contests for the handicapped.

National libraries will cooperate in reviving Arab and Islamic cultural heritage while universities and education ministries in both countries will exchange visits of educators and training programmes.

World Health Day marked

THE Mubarak Health Area held a festival last Thursday on the occasion of International Health Day and the World Health Organisation's designated international No-smoking Day.

Sheikh Nasser Saud Al Sabah, speaking on the occasion, said Kuwait's Health Ministry offers services to all people in the country. He added that it also cooperates with the World Health Organisation.

Ibrahim Al Mudaf the Health Ministry's Assistant Under-

secretary said this year's health day slogan "Health for all and all of health" was intended to project the aim of health for all by the end of this century. He explained that the implementation of such a slogan requires the cooperation of government and individuals.

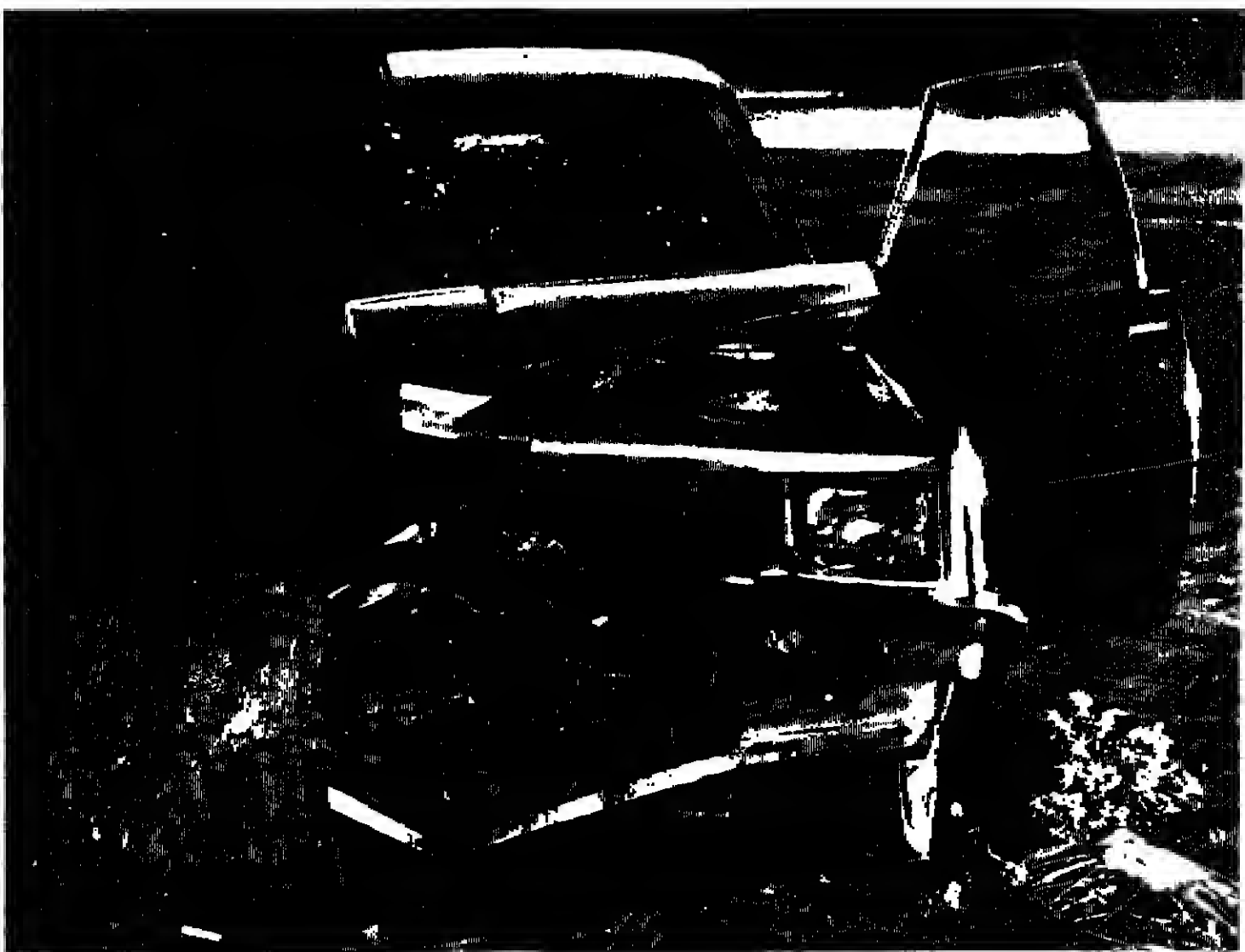
Children from schools in the Hawalli Educational Area presented musical numbers as part of the festival entertainment.

Engineering Services department suspended

KUWAIT'S Public Health Minister Dr Abdul Razzak Al Abdul Razzak has suspended the Engineering Services department of the ministry preliminary to the complete dissolution of the department.

According to a Kuwaiti daily, the suspension is part of a ministerial plan to change the organisation of the ministry, with new departments being set up and others dissolved.

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MAGIC SHOW POSTPONED

We deeply regret to announce that the magic shows of **Jewel Aich** Scheduled to be held at **Kuwait Regency Palace Hotel**, from April 12, 1988 to April 15, 1988 have been postponed for the time being. New dates for the magic shows will be announced soon.

Organiser

Relatives distressed

By Salem Al Wawan

THE mother of a steward, Muhammad Abdul Latif Farhan Al Dukhi, 28, aboard the hijacked Kuwait Airways Corporation (KAC) jumbo jet, said that her son kissed her warmly before he went on duty.

She told the Seyassah newspaper that she dreamt of Mohammed and could not sleep the night he was supposed to return from Bangkok.

She fainted when she heard of the hijacking.

She said she realised that grieving would not bring her son back and that she should console his brothers instead.

She prayed to God for the safe return of all the passengers, including her son.

She began listening to all television newscasts and reading all newspapers to know about the situation of the hijacked plane.

Innocent

She went to the airport when some passengers were released in the hope of finding her son among them, but was disappointed.

Mohammad's brother, Khaled, said they had three relatives at their home to hear all the news about the hijacking.

He said they contacted another brother, Saad, a student in the United States, to get more news.

Khaled said that his cousin Fehmi was also among the passengers on the hijacked jet.



The mother of Al Dukhi.

He prayed that all the passengers would be released, without bloodshed. He said the passengers were innocent people and it was wrong to endanger their lives.

He said that Mohammed travelled a lot and they were therefore accustomed to his absence.

Mercy

Mohammed's mother, said that the passengers were at the mercy of men who did not fear God.

She hoped the government would act wisely and not endanger the lives of the passengers.

She asked the media to broadcast all the news about the hijacked aircraft, even if there was no development in negotiations with the hijackers. This would help the families of those on board, she said.

Benegal's passionate plea to protect art

By Fethima Ahmed

ACCEPTANCE of fate is not a Shyam Benegal theme. In nearly all his films from *Ankur* (1974) to the present, the protagonists react, rebel and take decisive action. The heroes of Benegal's films may be doomed but they are not complacent. Benegal's films are down to earth, realistic and delve on social evils from the exploitation of women in *Ankur*, his debut film in 1974, to the exploitation of milkmen in *Manthan* (1976) and the last days of the British Raj in *Junoon* (1979). His latest is *Susman* (The Essence), a powerful docudrama on the plight of weavers in southern India.

Susman is about the skilled weavers who produce exquisitely beautiful ikat, popularly called Pochampalli sarees. They get their name from the weaver's village in southern India.

Benegal's handling of their plight takes them to the homes of the weavers. Along the way he examines their exploitation by the middle-men and the failure of the system to provide an alternative to them.

The weavers all live in dire poverty despite their wares selling at exorbitant prices. "Can't we weave one, only one, silk sare for our daughter's wedding?" asks the wife. This shows their lack of basic needs, neglected by middle-men who are interested in profit-making at the expense of the weavers.

This seems to be the crux of the film, marking the turning point in the life of the weaver, played superbly by Om Puri, who is branded a thief and a cheat. He is disillusioned with his trade and gives it up, refusing to weave again. "How will he earn a living," asks his wife.

He does not answer. She cries. He turns away his face callously. But is he?

Benegal, who hails from Andhra Pradesh, seems to have studied the plight of Pochampalli weavers closely. He understands their psyche and this comes across through seemingly trivial situations which are woven into the theme with dexterity. Perceptive camerawork and the use of sound is applied to create drama in ordinary situations. The high-pitched screams of a couple fighting in the hut respond as a city woman to hire the weaver. The quarrel is not between man and woman but is about a man's inability to take control and get rid of poverty. It's implied that they are poor due to smooth-talking middle-men who take the credit for the work and the money that goes with it leaving the weavers out in the cold. Thus, the interest in literacy. Typically, education is seen as a passport to a better future.

"No matter what happens you must go to school," the father tells his seven-year old son. "I want him to be a big man." The weaver being the best is unimportant before the more pressing need to "earn a proper living."

Benegal's concern is to protect the weavers from extinction. "They are a dying breed. Something should be done to organise their work. Otherwise, their art may die," says one character.

Though Benegal examines the core of the problem he gives no concrete solutions. As an observer, he documents their plight, shows their exploitation, their ignorance and their rebellion.

Some moments in the film are brilliant. One shows the fear in the wife's eyes as the husband is being reprimanded for "stealing"; another shows the stubborn weaver refusing to go back to his trade. Silently, but resolutely, he keeps away from the loom. "Burn them, burn them," he screams and then falls into the arms of his wife and cries bitterly.

Om Puri and Shabana Azmi in *Susman*

Benegal does not suffice to focus on village weavers. He goes to town and examines the abject poverty faced by powerloom workers. The weavers in cities live in clusters of 10 to a room. "I am employed and earning much more than your father does," tells one to his new bride.

This snippet is thrown in to show that skilled workers live in deplorable condition. Having made that point in a brief moment, he returns to the village to record the final triumph of a weaver: recognition in a foreign country.

At the Paris show, the characters made didactic, and inconclusive statements. At this point, Benegal is carried away and passionately appeals for help on behalf of weavers. In essence, Susman is a plea to save the weavers. Along the way, Benegal laments society's appreciation of the art but not the artists. Susman is a movie worth watching if you are interested in serious cinema. Excellent performances by Shabana Azmi, Anita Kanwar, Om Puri and Kulbhushan Kharbanda polish the docudrama.

On the fringes of the commercial cinema in Kashi (The Vicious Circle). In this instance, violence turns full circle. The film falls in the category of earlier movies on similar themes like *Ardh Satya*, *Ankur*, *Pratigata* and others. Though not as powerful, it looks at the seamy side of violence, attempting to examine why people take to violence. To prove his point, director and story writer Dilip Shankar, focuses on the life of Shankar, a medical student who happens to live in an area "ruled by underworld figures in connivance with some members of the police force."

Significantly it starts with the murder of a key witness in the area, dubbed Kalibasti. Everyone in the vicinity is rounded up for questioning. Shankar is among them. He is beaten up. The real culprits are not among them.

Shankar's experience at the police station is the beginning of his transformation from a docile, honest, hard working individual to the hardened criminal begins. What triggers the change is the rape and murder of Shankar's sister.

As the film is about violence, the director spares no effort to avoid it. The collusion of certain policemen with criminals is highlighted through Waghmare's (Sadashiv Amrapurkar) friendship with Kare, the ace villain.

But all is not lost in Kashi. There are individuals who believe in justice, even when the system fails, and in honesty, despite threats. But such creatures seem from outer space in the film, filled with callous criminals. Though Kashi is not technically superior, say than *Ardh Satya* or *Pratigata*, it does make a point in its own roundabout way. Though its director does not condone violence, he seems to accept it as a part of modern life, a sad but true statement: Newcomer Madan Jain and Suresh Oberoi and Amrapurkar give brilliant performances. Jain, in particular, blossoms as the innocent youth caught in a vicious web. Priya Tendulkar impresses as Shankar's sister, Anju, in a brief cameo role.

The above films are by courtesy of Athari Video, Main St., Farwania. Tel: 4712900.

Madan Jain, Priya Tendulkar, Suhaz Joshi and Srikanth Moghe in *Kashi*

WHAT'S ON

ARTS

National Museum

The Palestinian Uprising Exhibition at the National Museum has been extended to April 14. Thirty six painters are showing their work on the theme of the uprising. Proceeds of sales are for the Uprising Fund. Open daily from 9 am to 12 noon and 4 to 7 pm, until April 14.

Sultan Gallery
"The Islamic Heritage of Spain" opens tonight at 5 pm at the Sultan Gallery, Thunayan Al Ghanim Bldg, Al Soor St., until April 21.

Ghadir Gallery
Sudanese artist, Hasan Haken is showing his drawings at the gallery in Salmiya Complex. It is open daily from 9 am to 12 noon and 4 to 8.30 pm, until April 21.

CINEMA

Seminar on cinema

A seminar on cinema and its role in the media will be held on April 13 at 7 pm at the Graduate Society, near Kuwait Hilton and US Embassy. A British-American film, "Courage Along the Divide," a film on the Arab-Israeli conflict will be shown. Farouk Abdul Aziz, of the Cine Club, and Kuwait University professor Dr. Ghanem Najjar will take part in the seminar. It has been jointly organised by the Cine Club, the Kuwaiti Women's Cultural Society and the Graduates Society.

A big company in Ahmadi requires A swimming life-guard during summer season

Phone: 3980514 for appointments

British Council

High Rise Donkey, a children's film, will be shown at 6 pm on Wednesday April 13, and 10.30 am on Thursday, April 14, at the British Council gallery in Mansouriya. It is the story of three friends who smuggle an ancient donkey into a block of high rise flats.

Yugoslav Cinema Week
Five short Yugoslav feature films will be shown at the Introducing Yugoslav Cinema week, ending on Wednesday.

April 11: "Petra's Wreath", directed by Srdjan Karanovic.
April 12: "The Magpie Strategy" directed by Zlatko Lavranic.
April 13: "The Two Halves of the Heart", directed by Vefik Hadzismajlovic.

All films will be shown at 7.30 pm in the auditorium of the Chambers of Commerce and Industry.

MUSIC

Lakpals

Lakpals, a popular Sri Lankan musical group will perform at the Ramada Al Salam Hotel on Sunday, 6 pm.

SOCIAL

YMCA Holiday Special

The Young Men Cricket Association (YMCA) will hold the Holiday Special on May 17, Messilah Beach Hotel. Highlights are music by Top Ranks with special competitions such as Made for Each Other Contest, Funky King and Queen. For reservations contact Lancy — 4814914, 9 am to 4 pm, 3981790; 3929518, 5 to 8 pm.

German-Speaking Cultural Association

The regular coffee morning is at the Hilton Hotel on April 13 (Wednesday), 10 am, in the Old Failska Room. All German-speaking women are welcome.

Alumni get-together

The T.K.M. College of Engineering will hold a get-together on April 21 at the SAS Hotel. Those who have not registered please contact 2402943; 4336416 after 7 pm.

Lecture at IAC

A well-known Indian surgeon Dr R.L. Bang will give a talk on "The Concept of Plastic Surgery for Laymen" at the Indian Arts Circle, Funatees, at 6.30 pm on Thursday, April 14. For entry passes contact Shreyas Munshi — Tel: 2423521; 2423740; res. 4881581; Vijay Sharma off. 4747200, res. 2644863; Nair — 4712622.

Danialla
The annual family rally will be held on Friday, April 15. For registration contact Connie — 3947693 before April 10.

THEATRE

Kuwait School of Contemporary Dance
The company will present two ballets "Carnival" and "The Never Ending Story" from April 25 to 29, 8.30 pm nightly, at the Mousetrap Theatre, NES, Jabriya. Tickets — KD 4. From Saturday, April 9, the box office at Mousetrap will be open daily from 4 to 7 pm. For telephone bookings ring 5610673, 8 am to 1 pm.

Stepping Out
Kuwait Players present the comedy "Stepping Out", directed by Ken Winston with choreography by Donna Smith, who also plays the lead, nightly, until April 14 in the Crystal Ballroom, Regency Palace Hotel. Tickets (KDS each including snacks). For reservations ring 5331269; 5745338; 5383149.

SPORTS

Ahmadi Kart Club

The annual general meeting will be held on April 12, Wednesday, 7.30 pm, at the kart track. All those interested are welcome to attend. For details contact Sue Andrews — 3982055.

Colenutt Regatta

Al Kuhhar Yachting Committee will hold its annual Colenutt dinghy-windsurfing regatta on April 14 and 15 at the TEC Sea Club in Fahadheel. Participants with own dinghy-surfboard (competition fee KDS) and spectators welcome. For details phone 4842493

Interschol Knockout '88

Interschol Knockout '88 Grand Finale takes place on Wednesday on April 13 featuring four schools: Gulf English School, French School, Kuwait English School and Universal American School. Games start at 5 pm. Spectators welcome. Minimum ticket prices including barbecue dinner, beverages and raffle prizes. For details contact the hotel.

PBAK Bowling Tournament

The semi-final and final rounds of the Philippine Bowlers Association (PBAK) handicap bowling tournament will be held on April 15, 9.30 am sharp. The top 30 and nine bowlers for the men's and women's divisions will play three games to select the top 12 (Men) and top four women. Six men and four women will play the step-ladder game.

Goan Cup Tournament

The Young Goans Association, Kuwait, will hold a seven-a-side football tournament on the first day of Eid Al Fitr at Al Sour Grounds. The draw will be held on the same day at 7.30 am. Tournament commences at 7.45 am. The tournament is open to all communities, subject to approval by organisers. For details contact Tom — 2419409; Almeida — 4813892 ext. 232.

K.O.S.A.

Kuwait Offshore Sailing Committee (K.O.S.A.) will hold an extraordinary general meeting on April 19, 1600 hours, at Fahadheel Sea Club. All members are invited to attend.

Kuwait Nomads Rugby Club

Full scale match on (April 12). Kick off: 7.30 pm. All players report at 7.15 pm. Tickets for the Oval Ball are still available from Jon Evans — 5339867; Brian Heade — 5622950.

Hockey Finals

Unity and Al Hilal Hockey Clubs play the finals for the Al Mulla — Mitsubishi Hockey Cup on Friday, April 15, 4.15 pm, at the KOC Hockey Ground, Ahmadi.

E.M.A.C. Tournament

A tennis tournament for under-16s will be held from April 13 to 16 at the SAS Hotel. Participating teams are from Abu Dhabi, Oman, Damascus, American School of Kuwait, Universal American School, Kuwait English School and New English School. The tournament has been organised by E.M.A.C. (Eastern Mediterranean Activities Conference).

HOTELS

At the Meridian

Versailles is open for lunch and dinner featuring Continental cuisine; a selection of meat and seafood offered. Live entertainment in the evening. La Brasserie offers business buffet and a la carte service.

At the Holiday Inn

Al Ahmadi Coffee Shop offers Arabic and Continental buffets for breakfast, lunch and dinner. Sample the ambience and cuisine in the Coffee Shop, open from 6 am to 1 am.

At Ramada Al Salam

Dine in the Al Bender Restaurant and get a free raffle ticket with a chance to win KD 1,000 in cash. The offer lasts until April 15.

At the SAS

Experience the charm of the Orient at the Saharat Al Khema, featuring dinner, live music, raffle prizes and an Arabian Bazaar.

At the Sheraton

Dine in the Hunt Room with live music by the Trio Paradise. For lunch a la carte is offered.

At the Continental

The Gardenia features a food and beverage service on the Terrace; a daily buffet dinner and Friday lunch buffet with charcoal grilled specialties; the Darbar offers daily lunch buffet and a la carte for dinner.

At the Hilton

For all-day dining La Palma Restaurant is open daily from 6.30 am to midnight offering Oriental, Continental and international cuisine as well as a large array of sweets and desserts. A full American buffet breakfast is available from 6.30 am to 11 am.

TELEVISION PROGRAMMES

KTV 1

2.15 Holy Quran
2.30 World News Via Satellite
3.30 Tan Tan: cartoon serial
4.00 News Summary
4.20 World News Via Satellite

4.45 Wa'ma'tasamah: historical serial, featuring Ta'amah Al Tamimi, Siha Salem, Hina Mohammad.

5.30 Mama Anisa and Children
6.00 Songs and Music
6.55 News Summary
7.05 Documentary

7.30 Quran and Science: prepared and presented by Dr. Ahmad Shawki Ibrahim.

8.30 Good Evening and Local News
9.00 News in Arabic
9.50 Layali Hilmiya: Arabic serial, starring Hassan Yusuf, Safiya Al Omari, Huda Sultan.

11.30 Salamah Fi Khair: Arabic feature film, starring Najih Al Rehani, Raqiya Ibrahim, Hussein Riyadh, Hassan Faq.

12.30 News Summary

Angela Lanabury (centre) is Jessica Fletcher in *Murder She Wrote*.

12.35 World News via Satellite/ Holy Quran/ Closedown.

KTV 2

3.00 Opening with Holy Quran
3.08 Cartoons
3.15 Recording of the International Karate Championship
5.10 Live telecast of the handball match between Salmiya and Kazma.

6.39 Animal magazine
7.00 Roving Report: weekly programme on current world events.
7.30 Don't Wait Up: Comedy

8.00 News in English
8.40 *Murder She Wrote*: "The Way to Dusty Death." A company manager dies in mysterious circumstances.
9.30 National Geographic: "China Journal." An American university group visits China to examine the way of life in that country.
10.30 Best-Seller: "A Year in the Life."
12.00 News in Brief/ Magazine D'Actualite/ Closedown

Please note that programmes and timings are liable to change without notice.

RADIO PROGRAMMES

English

Morning

0800 Opening
0805 Songs and Music
0805 Science Journal
0830 News
0840 Songs and Music
0845 Daily Programme
0900 Songs and Music
0915 Writers and Their Works
0930 Radio Magazine Supplement
1000 Our Press Today
1005 Songs and Music
1100 Closedown
1330 News on FM Service

Evening

2100 Opening
2102 Bits and Bytes
2130 News
2145 Point of View
2155 Songs and Music
2200 Facts About Zoonism
2215 Magazine Special
2245 Daily Programme
2300 Pelli Mell
2400 Closedown.

FM Services

0800 Easy Listening
0830 Hits and Bytes
0840 Easy Listening
1000 Songs and Music
1300 Easy Listening
1330 News
1400 Classical Music
1600 Easy Listening
1700 Latin American Hour
1800 Pops
1900 Heller Skelter
2000 Pops
2130 News
2145 Pops
2200 Jazz Sound
2300 Easy Listening
2400 Instrumental Music
0200 Closedown

BBC World Services

0000 World News
09 News about Britain
15 Radio Newswest
30 Religious Service
0100 News Summary followed by 11th Feature; 18th The Drum; 25th The Marmos Conquest.
45 Virtuosos
0200 World News
09 Commentary
15 Peabody's Choice
30 Science in Action
0300 World News
09 News about Britain
15 Good Books
30 Anything Goes
0400 Newswest
30 Augustus Carp Esq By Himself (ex 25th Behind the Wall)
45 Reflections
50 Waveguide
0500 World News
09 Twenty-Four Hours: News Summary
30 Nature Notebook
45 Recording of the Week
0600 Newswest
30 Six Cities
0700 World News
09 Twenty-Four Hours: News Summary
30 Can Communism Cope? ..
0800 World News
09 Reflections
15 Augustus Carp Esq By Himself (ex 25th Behind the Wall)
30 Anything Goes
0900 World News
09 British Press Review
15 Good Books
30 Financial News followed by Sports Roundup
45 Peabody's Choice
1000 News Summary followed by Six Cities

NIGHT CHEMIST

Kuwait
Al Ghanem Pharmacy
nr. Carlton, Fahad Al Salem St.
Al Ghazwa Pharmacy
Kazma Bldg., Khalid Bin Al Walid St.
Hawalli and Nagra
Al Badr Pharmacy
Tunis St.
Salmiya and Rumaithiya
Al Rashid Pharmacy
Amman St.
Fahadheel and Ahmadi
Al Sheha Pharmacy
Late Sheikh Ahmad Al Jaber Bldg., F'heel Farwania.
Al Yasmin Pharmacy
Jara Commercial Centre, Main St.
Jahra
Al Khalid Pharmacy
Opp. Cooperative Society

CINEMA TODAY

Al Andalus
Tough Busters
Al Salmiya
Night Stick
Al Hamra
Maut Samira (Arabic)
Starring: Kamal Shinnawi, Ilham Shahin
Drive-In
Al Mar'at Wal Kanoon (Arabic)
Starring: Sherihan, Farouk Fishawi, Magda Khateeb
Al Firdous
Kinara (Hindi) Starring: Jeetendra, Hema Malini
Fahadheel Open-Air
Kali Dada (Hindi)
Al Fahadheel
Police Story

Al Jahra

Wise guys
Granada
White Apache
Sulabikhat
Let's Get Harry
Al Jleeb
Zulam (Bengali)
Ahmadi Drive-In
Big Sleep

PRAYERS

Fajr	4.03 am
Zuhr	11.49
Asr	3.23 pm
Maghreb	6.13
Isha	7.32



The first Japan Airlines (JAL) crew arrived at the SAS Hotel on March 31. SAS Hotel's General Manager Werner Kuendly and Vice-President and Regional Manager of JAL, Keiichi Sumida pictured with the crew on arrival. The Administration Manager of JAL, Kuwait, Yoshitaka Takemura, is also pictured.

EDITORIALS

ARAB TIMES

Thought for today

MARRIAGE always demands the greatest understanding of the art of insincerity possible between two human beings—Vicki Baum, Austrian-American writer-playwright (1888-1960).

US woos India with military sales

By William MacLean

ISLAMABAD, (Reuters): The United States, friend and armorer of Pakistan, is wooing its regional rival India with promises of advanced military hardware.

Washington is treading carefully to avoid ruffling the feelings of its strategically placed Islamic ally hoarding war-ravaged Afghanistan.

"Security relationships with Pakistan, as well as our emerging dialogue with India, are not designed to pit one country against another," US Defence Secretary Frank Carlucci said at the end of a visit to Islamabad on Friday.

Carlucci, who had talks in India earlier in the week, used both trips to make known the Pentagon's desire for continued strong military links to Islamabad.

The United States has regarded Pakistan as a bulwark against Soviet power ever since the Kremlin sent troops into Afghanistan in 1979.

Washington resumed military aid to Pakistan shortly afterwards and to the six years to 1993 wants to provide \$4 billion of economic and military assistance — plans that have caused some nervousness in New Delhi.

Sales But Carlucci made clear this week that friendship with Pakistan would not prevent an increase in military sales to India, a non-aligned nation often sympathetic to Soviet diplomacy.

His remarks appeared to recognise India's role as the superpower of South Asia with a two-to-one size advantage over Pakistan in military manpower, tanks and combat aircraft.

"India obviously is a large country and its geography and population speak for themselves," Carlucci said. "The point is not to say who is the stronger (but to) promote a dialogue."

Washington will have to deal carefully with two countries whose relationship is prickly at the best of times.

India and Pakistan have fought three wars since independence in 1947 and soldiers continue to clash sporadically on a remote Himalayan glacier. There is a long list of diplomatic wrangles including arguments about each other's nuclear power programmes.

Western and Pakistani analysts said Washington's aim is selling advanced equipment to New Delhi with less to its dependence on Soviet military support and weaken the Kremlin's influence in the Indian subcontinent.

For its part, India wants to develop a high-technology defence manufacturing industry using American know-how. "What they get from the Soviet is quality, but they also want quantity," a Pakistani political analyst said.

Pakistan's weapons industry is limited to making only ammunition and small arms.

"The Americans want to sell advanced equipment to weaken the Indians from Soviet supplies," said another analyst, Kamal Madsen, director-general of Pakistan's Institute of Strategic Studies.

Among the hardware Washington wants to sell Delhi are state-of-the-art measuring instruments known as laser gyroscopes that help guide missiles and aircraft. The equipment would be for a new Indian light combat plane.

Weapons Pakistan, which also receives weapons from China, is due to receive equipment including 16 F-16 planes, a number of A-7s surveillance planes and 560 Sparrow and Sidewinder air-to-air missiles in the coming years.

In New Delhi, the Indian Express newspaper said Carlucci's call for continued strong military links to Islamabad showed it "would be rash" for Indian officials to envisage a "cosy Indo-US relationship in the wake of an Afghan settlement."

It said India's interests had long been jeopardised by America's pampering of Pakistan.

Peacekeeping in Sri Lanka

By Eileen Fisher

COLOMBO, (AP): India sent its soldiers to this small island nation with a declaration of noble intentions: to end an ethnic war, supervise a peace accord which it thought all sides had accepted, and get out fast.

That was eight months ago. Since then, the killings have not stopped, the biggest Tamil rebel group quickly reneged on the peace accord, and the initial Indian deployment of 3,000 soldiers has swelled to more than 50,000.

Problems

Tamil rebels, seeking autonomy or independence for their ethnic minority, are still killing civilians from the Sinhalese majority and recently started turning their guns, axes and arson torches on the previously unthreatened Muslim minority.

In addition, as direct or indirect results of the accord, Tamils are killing fellow Tamils, Sinhalese are killing fellow Sinhalese, and some young Muslims are taking up arms against Tamils.

"There appears to be a strange paradox here: the irony of the

Easy to promise, harder to do

violence being directly proportional to the increase in the number of Indian troops," the independent newspaper The Island said in a recent editorial.

"It is time that every citizen of this country told the Indians that if they cannot do their jobs fast enough they have got to get out and leave our problems to us," The Island said.

But defenders of the Indian-brokered peace accord say it still offers the best, if not the only hope for ending ethnic mayhem in a beautiful little island that was building a booming tourist industry until 1983. That was the year militant Tamils, chafing under economic and political domination by the Sinhalese, exploded their cause into a guerrilla war that has now claimed more than 8,000 lives.

"We couldn't have done anything different," said Gamini Disanayake, Sri Lanka's minister of land development and a key negotiator of the accord.

For the first time, he said, the accord specifically and publicly provided "a solid understanding" that the Sinhalese-dominated government would share power with the Tamils, a concept that he said was "just an abstraction in the past."

The accord guarantees a measure of autonomy for the Tamils, provided the rebels surrender their arms.

Concessions

Some Sinhalese, who make up 75 per cent of Sri Lanka's 16 million people, fear the accord makes too many concessions to the Tamils, who account for 18 per cent of the population. An underground organisation of ultra-nationalist Sinhalese has assassinated at least 150 people who supported the accord or were prominent members of the President Junius R. Jayewardene's United National Party.

The largest Tamil rebel group, the Liberation Tigers of Tamil Eelam, are engaged to inter-ethnic warfare with smaller Tamil guerrilla groups that support the peace accord.

Muslims, who comprise about 7 per cent of Sri Lanka's population, became targets of Tamil rebels trying to dominate the eastern province, where the population is about equally divided among Tamils, Sinhalese and Muslims.

Both the Tamils and the Sinhalese are descendants of people who migrated from India centuries ago, but most Tamils are Hindus, most Sinhalese are Buddhists, and they speak different languages. The Muslims trace their religion and ancestry to Arab seafarers.

Violence

Apart from the continuing violence, there is also a feeling that time is running out to enforce the peace accord.

Under Sri Lanka's constitution, the 82-year-old Jayewardene has only 10 months left in office and cannot run again, unless he pushes through an amendment or a new interpretation regarding his tenure.

Jayewardene's own cabinet is divided over the implementation

of the accord and the Indian military presence. Although the ministers' public remarks tend to be fairly circumspect, their views are well-known — and can be measured by the bodyguards around them.

A dozen men guard the corridor leading to the office used by Disanayake, point man to the efforts at reconciliation and therefore a top target for assassination by extremists in his own Sinhalese community. The more hawkish National Security Minister, Lalith Athulathmudali, has only a single guard in sight at his official residence.

Guns

Indian High Commissioner (ambassador) J.N. Dixit, who used to move freely around Colombo with a single bodyguard, now is accompanied by what he calls "my rather embarrassing contingent of five gunmen" the moment he steps out of his office.

Dixit, a suave and savvy career diplomat, asserted that India did

not bite off more than it could swallow when it got involved in Sri Lanka.

He said Prime Minister Rajiv Gandhi's government considered various things that might go wrong with the accord, including the Tamil rebels' refusal to surrender arms, "and a conscious decision was taken that, regardless, we must take a framework that will grant Tamil aspirations and preserve the unity of the country."

Apart from its regional role as South Asia's geographic and military giant, India was drawn into Sri Lanka by pressure from its own politically powerful Tamil minority of 60 million.

Died

By the Indian government's account, about 400 Indian soldiers have died in Sri Lanka since the still-unfinished offensive that began Oct 10 to disarm the Tamil Tigers.

Some Indian newspaper columnists and intellectuals had flies referred to Sri Lanka as "our Vietnam."

Afghan government may fall after Soviet pullout

By Jim Adams

WASHINGTON, (Reuters): A Soviet troop withdrawal from Afghanistan could cause the country's Soviet-backed government to collapse in chaos like that brought on by the US pullout from Vietnam in 1975.

Independent experts say "it will be climbing to the top of the embassy and clinging to the sides of helicopters" — Vietnam all over again," Marshall Goldman, a Harvard University Soviet expert, told Reuters in reference to the frantic last days of the US-supported South Vietnamese government in 1975.

"That is what they said they would not do but they'll have to do it," Goldman said on Thursday after Soviet leader Mikhail Gorbachev and Afghan President Najibullah issued a communique saying a Soviet troop withdrawal could begin on May 15 if a peace pact was signed soon.

After the communique was issued, Gorbachev made comments indicating he expected a pact to be signed shortly.

Fall Robert Neumann, US ambassador to Afghanistan from 1963 to 1973, agreed the Kabul government would fall when the estimated 115,000 Soviet troops left Afghanistan.

"All they (Soviet officials) are saying is, we are not going to leave hanging from helicopters," Neumann said on US television. "Well, alright, so they are leaving in trucks."

"If all of our information is correct... the government has no support in the country and will collapse as soon as everybody realises that the Russians are leaving and have left."

When asked if a bloodbath was inevitable, Neumann replied:

"Inevitable, I would not say. But there are problems."

The communique and Gorbachev's remarks indicated the last major obstacle to a peace agreement — differences between Moscow and Washington over continuing military aid to the combatants in the nine-year war — had been resolved.

The United States had suggested a compromise that would allow US military aid to the Afghan rebels as long as Moscow supplied military aid to Kabul.

Welcomed The Reagan administration cautiously welcomed the developments and said the way could now be paved for a peace settlement between the Soviet Union and Pakistan, and for a Soviet troop withdrawal.

The United Nations has been mediating talks between Moscow and Islamabad, which hosts the US-backed Afghan rebels. The rebels were not directly involved in the talks and have vowed to continue fighting Kabul.

White House chief of staff Howard Baker said US officials had not seen details of the Soviet position, but added: "It appears to be a step forward and it may very well lead to a resolution of these issues and a pullout of Soviet troops from Afghanistan."

A Soviet withdrawal would also remove a potential cloud hanging over the May 29-June 2 Moscow summit meeting between Gorbachev and President Reagan. The issue caused some discomfort at last December's Washington summit.

Goldman, author of a number of books on Soviet affairs and associate director of Harvard's Russian Research Centre, predicted a Soviet pullout would be followed by infighting among

Afghan rebel groups attempting to form a new government.

He also said he believed Soviet humiliation would not end with a chaotic pullout next month.

"It is going to be an embarrassment for Gorbachev," he said. "This will simply be another assault on his leadership."

"He's getting out of there because he wants to focus on the (Soviet) economy, but there will be these humiliations that the Soviets are not used to."

Control

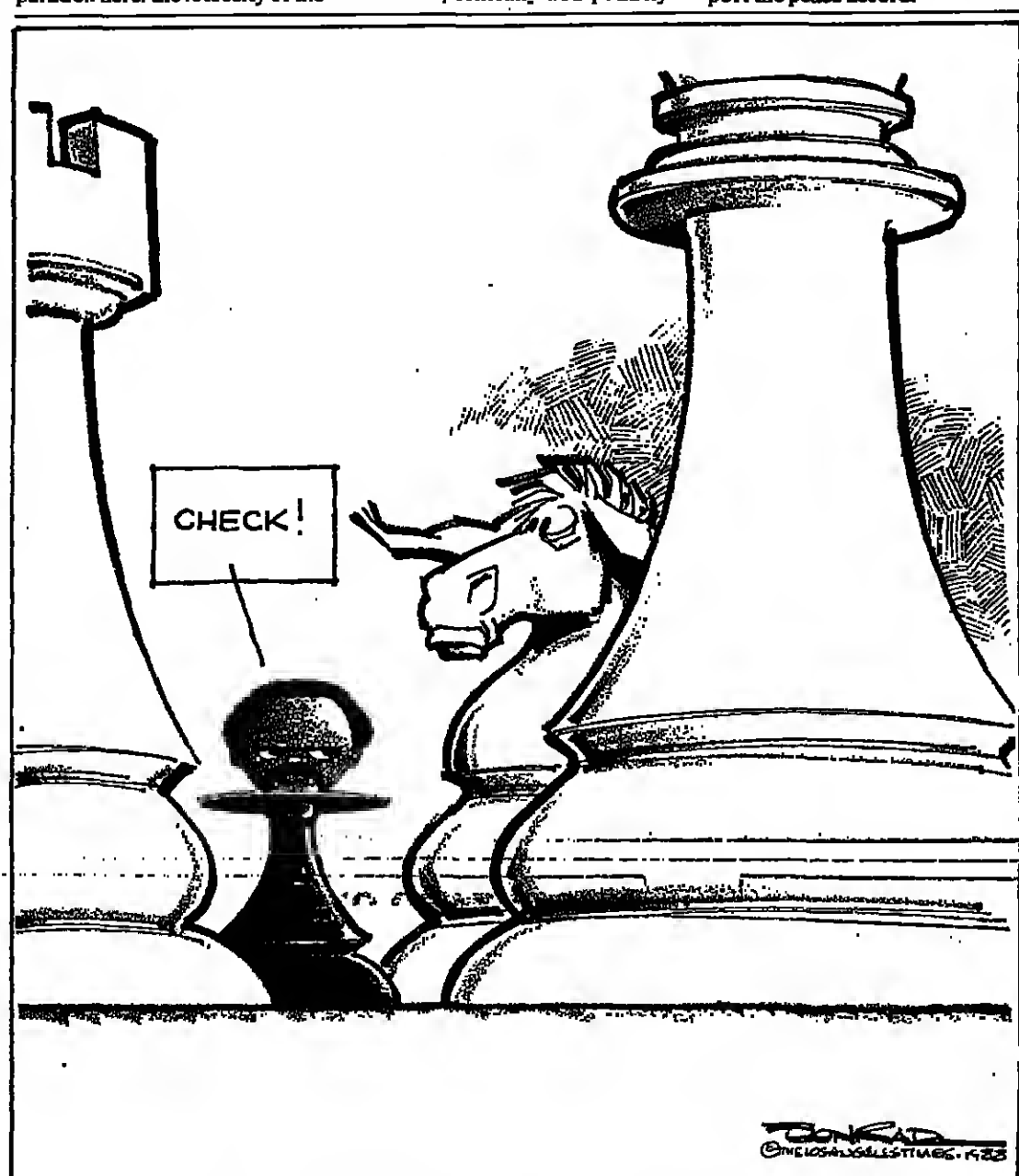
Other American Soviet experts said even if the present Kabul government fell, the United States must remain watchful that Afghanistan did not wind up under Soviet control even without Soviet troops there. "May 15 is only a midpoint" in US efforts to restore Afghan independence, Robert Hunter, a former national security adviser to President Carter, told Reuters.

He said the Soviet Union would always have more influence in Afghanistan than the United States and the West because of the common Soviet-Afghan border.

He said the United States, therefore, must make it clear it would accept only a neutral Afghanistan and renew US aid to the rebels if Moscow tried to keep control of Kabul even after Soviet troops left.

"There needs to be understanding between the United States and Soviet Union that a neutral Afghanistan which does not pose a threat to Soviet security is in our mutual interest," Hunter said.

"But if we find the Soviets are not accepting it, we will have to consider restarting aid to those who are trying to keep Afghanistan out of the Soviet orbit," he said.



Film stars add glitter to French political campaign

By Barbara Bright

PARIS, (Reuters): France's strong but sensitive film star Gerard Depardieu has taken an interest in politics for the first time, telling the public he will cast his vote for incumbent Socialist President Francois Mitterrand.

Isabelle Adjani, dark-haired beauty who shares billing with Dustin Hoffman and Warren Beatty in the desert comedy "Ishtar," found rightist challenger Jacques Chirac sympathetic a few months ago, but now is miffed because she thinks he has

turned soft on racism.

Greying screen lover Alain Delon has given a helping hand to centre-right economist Raymond Barre, playing the role of interviewer to try to soften the former prime minister's pedantic image.

Popular magazine readers learned such tidbits as Barre's idea of the ideal woman — American actress Lauren Bacall. The French presidential election campaign, criticised as lacklustre by both right and left, has stimulated an unusually high rate of interest among stage, screen and music glitterati.

With image the critical

ingredient in the campaign thus far, each major candidate has trotted out a stable of stars to lure voters for the two-round election, on April 24 and May 8.

Concert promoter Gil Pacquet said recently that any political candidate nowadays covets the backing of pop artists.

"Everybody, whether right or left, wants to get the backing of the big popular singers."

Prime Minister and Paris mayor Chirac made a bid for the youth vote last summer by welcoming blonde rock star Madonna to Paris.

But analysts say Chirac's effort to cultivate a "cool" image — he was also photographed in blue jeans — did little to impress young voters, with the 18-24 bloc solidly in the Mitterrand columns, following the lead of left-wing French pop idols Renaud and Jean-Jacques Goldman.

In totting up celebrities, Mitterrand and Chirac, currently the front-runners in the polls, have the most luminaries among their backers.

Middle-aged rocker Johnny Hallyday, fashion designer Guy Laroche, world cycling champion Jean-Pierre Monod, tennis star Henri Leconte and flautist Jean-Pierre Rampal were among some 100 personalities listed in a recent full-page advertisement saying "for them, it's Chirac."

The ad, which featured a smiling, dimpled photo of 55-year-old Chirac at the bottom of the page, said 11,000 other people were convinced that "with Jacques Chirac, we will go further together."

In addition to Delon, Barre, 63, also has international soccer stars Alain Giresse and Jose Touré and fencing champions Pascale and Veronique Trinquet.

Mitterrand's star supporters took out ads months ago in public pleas for the Socialist incumbent to announce his candidacy. Mitterrand, 71, kept them guessing, waiting until a week before the deadline before saying he would run.

TODAY IN HISTORY

- 1564 — Peace of Troyes ends war between England and France.
- 1677 — William of Orange is defeated at Cassel, Germany, by Duke of Orleans.
- 1689 — William and Mary are crowned king and queen of England.
- 1713 — Peace of Utrecht between France, Britain, Holland, Savoy, Portugal and Prussia; Spain cedes Gibraltar to England.
- 1805 — Britain and Russia, by treaty of St. Petersburg, agree to form a European league for liberation of German states, the third coalition against France.
- 1814 — Napoleon Bonaparte abdicates unconditionally as emperor of France and is banished to Elba by Treaty of Fontainebleau.
- 1843 — Britain separates Gambia from Sierra Leone as crown colony.
- 1894 — Uganda is declared a British protectorate.
- 1899 — Philippine islands are transferred from Spain to United States.
- 1919 — Referendum in New Zealand declares against prohibition.
- 1951 — US President Harry S. Truman relieves General Douglas MacArthur of his command in Far East.
- 1953 — United Nations force and communists arrange for exchange of prisoners in Korea, Vietnamese insurgents retook offensive in Laos.
- 1961 — Nigeria imposes total boycott on South African trade.
- 1973 — Martin Bormann, Nazi official pursued throughout the world, is officially declared dead and taken off West Germany's "most wanted" list.
- 1987 — China's National People's Congress ends annual session after endorsing Premier Zhao Ziyang's centrist policies and removing nation's top security official.

Girl's death signals bloodier conflict

By Masha Hamilton

ELON MOREH, Occupied West Bank, (AP): An Israeli girl's death in a clash with Arabs marked a watershed in four months of violence, radicalising Jewish settlers and signalling what some warn may be the start of a more savage stage in the conflict.

The killing of 15-year-old Tirza Porat in the village of Beita shocked the nation. But most said it was just a matter of time before the Jews living in these disputed hills became victims of the Arab uprising.

Even though it was unclear whether Tirza was killed by Arabs or a stray shot from an Israeli guard's rifle, many settlers blamed their government for Wednesday's confrontation.

Some warned the settlers were dragging the country deeper into its war with the Palestinians.

"This will mean the start of a cycle of bloodshed that will be difficult to end," the left-wing daily Hadashot warned.

"Israel is a castrated giant, afraid to deport Arabs, afraid to really punish robbers," countered Eliakim Haetzni, a lawyer and settler leader in Kiryat Arba.

Afraid "We've reached the point where the Arabs are no longer afraid of our government or our Army," he told the Associated Press.

Benny Katzover, head of the settlement council, warned: "If our leaders don't take steps to stop the Arabs now, they will not be able to stop Jews from taking things in their own hands."

Jewish settlers enraged by Tirza's death raided Arab villages under the cover of night, beating Palestinians and smashing windows of Arab-owned homes and cars near the settlements of Kiryat Arba and Elon Moreh, where the girl lived.

Gun-toting settlers also expressed their frustration during Tirza's midday funeral on a West Bank hillside. "Revenge, revenge," some shouted, despite admonitions from a rabbi who warned over a loudspeaker that such disruptions were out of place.

Tirza died on a picnic hike after she and a group of teen-age friends from Elon Moreh, accompanied by two adults, encountered stone-throwing Palestinians near the village of Beita. Armed guards accompanying the teen-agers shot to death two Palestinians.

Tirza was the first Israeli civilian to die in the unrest that began Dec. 8. One Israeli soldier was stabbed to death, while 141 Palestinians have been killed, according to UN figures.

Some settlers warned of further violence between the two opposing peoples living side-by-side in what the West Bank's 850,000 Arabs call "occupied Palestine."

"If you cannot enforce a stronger policy, Mr. Prime Minister, our next meeting will again be in a cemetery," Hanan Porat, a settler leader who is not related to Tirza, told Yitzhak Shamir at the girl's funeral.

Some Israelis asked why a group of Jewish children were hiking in this period of tension in the hills of the West Bank.

But one hiker, her head covered in a gauze bandage, said defiantly from her hospital bed: "We have to show them that we are the owners of the country."

The settlers did only one thing wrong, she said. "It wasn't good that we had only two guns," said the teen-ager, who spoke on television. She was not identified by name.

Gun

Requests for gun permits have climbed by 50 per cent since December, mostly from Israelis in the occupied territories and occupied Jerusalem, the daily Al Hamishmar reported.

According to Moshe Weiss, an official at the Interior Ministry, about 200,000 Israelis own weapons. In many West Bank homes, not just the husband, but the wife and older children are also getting gun permits.

While settlers who believe in historic Jewish rights to the land are toughening their position, those who moved to settlements because they viewed them as quiet suburban communities are reconsidering.

Handwritten signature or note in Arabic script.

MEDICINE

Saving lives from going up in smoke

There is strong circumstantial evidence from experimental, biochemical and epidemiological studies that smoking is the important single risk factor contributing towards coronary heart disease.

"THERE is absolutely no case whatever, under any circumstances, for cigarette smoking," says Dr Michael Oliver, Professor of Cardiology at Edinburgh University and one of the leading experts on the risk factors which can lead to coronary heart disease.

"If the entire public would stop smoking this disease would be reduced by a large amount. It is the most important single risk factor."

All sorts of things including politics and the action of the tobacco lobby seem to have prevented that message getting through, says the professor, who was convenor of the British Cardiac Society's working group of coronary disease prevention.

The BCS's report, published in an attempt to focus the attention of doctors and other professionals on the problem.

The report says:

- People must be urged to stop smoking cigarettes, and young people discouraged from starting.
- Those with high blood cholesterol — which accelerates the clogging of the arteries with fatty deposits — should get dietary advice.
- Consumption of fat in the national diet should be reduced and the intake of fibre-rich carbohydrates increased.
- Obesity should be avoided by a combination of eating the right food and taking exercise.
- Physical exercise should be a normal part of daily living.

The working party report, is uncompromising on cigarettes.

"The greatest risk is to those who smoke more than 20 cigarettes a day. There is a clear interaction between cigarette smoking and hypertension and hypercholesterolaemia in increasing the risks of coronary heart disease."

"The first objective is for non-smoking to be regarded as normal behaviour. Low-tar, low-nicotine cigarettes offer no alternative solution to the abandonment of smoking."

The report expresses particular concern about smoking among young women which, against the trends, is on the increase. This needs particularly vigorous action.

There is a pay-off for the reformed smoker. "The increased risk of heart disease in smokers is reduced when the habit is abandoned. A major

'The greatest risk is to those who smoke more than 20 cigarettes a day. There is a clear interaction between cigarette smoking and hypertension in increasing the risks of coronary heart disease.'

proportion of this fall occurs in the first year with a reduction of risk to near non-smoking levels at about three years."

Factor
The next most important risk factor, but far less well defined, says Professor Oliver, is a raised level of blood cholesterol. The risk from too high a cholesterol level, he says, affects about 20 per cent of the population. The rest have



Low-tar, low-nicotine cigarettes offer no alternative solution to the abandonment of smoking, says a report published by the British Cardiac Society.

relatively normal cholesterol. Those at the top of the scale would be wise to alter their diet, and possibly even take drugs, to bring the cholesterol down. Those with a moderate elevation of cholesterol should watch their diet.

Pinpointing those who are particularly at risk would mean taking blood tests from the

families where several members have had coronaries or strokes, or have had them prematurely.

GPs should then contact colleagues who are looking after other members of those families and advise them that their patient should be screened. This sort of screening is economic to do and practical, says the professor. "The yield is much higher than it would be from going across the whole population."

There is strong circumstantial evidence from experimental, biochemical and epidemiological studies that coronary heart disease should be preventable. So does the British group go along with the World Health Organisation view that the debate now is "on how, not on whether, CHD could be prevented."

Professor Oliver believes the weight of the evidence does not permit unreserved endorsement of the WHO view. "In other words, by doing all that we are suggesting we believe that we will manage to reduce the incidence but not totally prevent the disease."

Mysterious cot deaths on the increase

Researchers probe SIDS

By Anne Kent

MILLIONS have been spent on researching sudden infant death syndrome (SIDS) worldwide, but pinning down the cause is like tackling a jigsaw without seeing the picture on the box.

Every so often hopes are raised when a possible risk factor is identified. Then it turns out to be one very small piece of the whole puzzle, and sometimes it does not fit in at all.

When a rise in cot deaths was announced recently in the UK, based on the figures for 1986, a senior official at the Department of Health suggested that the cause might be the severe winter that year.

But according to Dr Elizabeth Taylor, senior lecturer in community paediatrics at Sheffield University and one of Britain's leading researchers into the syndrome, her figures did not show more than the usual proportion in the winter months of 1986, and she points out that the increased death rate also affected other countries in Western Europe.

Taylor says she would like to look more closely at the relationship between the increase in cot deaths and the fall in deaths in the perinatal period: there has been a steady decrease in infant deaths from all causes in the first week of life.

Taylor believes that some babies who would in past years have died very soon after birth now survive long enough to swell the cot death statistics. However, these babies are likely to account for only a proportion of the increase in cot deaths.

SIDS is not a diagnosis. It is a form of words used on death certificates when the real cause of a baby's death cannot be established. Since the late Seventies, the death rate has averaged about one baby in 500. However, according to the latest figures (for 1986), the rate is now one baby in 430 live births for England and Wales; one baby in 441 in Northern Ireland and one baby in 444 in Scotland.

In that year, SIDS appeared on the death certificates of 1,748 infants in the United Kingdom under the age of 12 months (90 per cent of SIDS victims die before they are eight months old, although there is a peak at three months) — an increase of 268 on 1985.

Hopes

While the public hopes to be given definite causes for these deaths, scientists can usually only offer links and associations. One problem in assessing the extent of SIDS is that it is a diagnosis of exclusion. And, inevitably, some pathologists are better equipped than others to check other possible causes before registering SIDS. It is likely that at least some cot deaths occur in the early stages of a very virulent infection which might not show up at postmortem.

About 25 research projects are currently being funded by the Foundation for the Study of Infant Deaths. Dr Pamela Davies, secretary of the foundation's scientific advisory committee, says that there is evidence that the interaction of several factors — often including a minor infection — could trigger some of these deaths and attempts are being made to identify these infective agents. Cot deaths, although a year-round event, tend to cluster in the months of January, February and March — lending support to the theory that respiratory tract infections are one of the triggers.



SIDS, Sudden Infant Death Syndrome is not a diagnosis. It is a form of words used on death certificates when the real cause of a baby's death cannot be established.

Despite these difficulties, advances are being made in identifying the underlying causes of what Taylor calls "this dusty diagnosis." Unfortunately, with one notable exception, prevention is much further away.

The exception represents the only real breakthrough in this decade. It has been discovered that an inherited deficiency of one particular enzyme causes some of the deaths put down to SIDS. A deficiency of medium-chain acyl-CoA dehydrogenase (MCAD) prevents the normal mechanism in which fatty acids are broken down into energy supplies.

If the baby is feeding normally, this may not matter too much. But at times of stress, or when the baby is not feeding properly, then this inability to draw or stored body fat can be fatal. The brain is starved of oxygen, and death can result.

This metabolic deficiency can be picked up by screening tests (which may be offered to parents who have already lost a child) and the parents would be advised on what action to take when the infant goes off its food.

Shortage of MCAD is thought to account for only about 5 per cent of cot deaths — including some of those where more than one baby in a family is affected. Researchers suspect that other, as yet unidentified, enzymes also have a role to play.

Despite all the frustration of cot death research, Taylor urges parents to keep the problem in perspective. "Last year in Sheffield there were 17 cot deaths among 6,200 births. Parents should enjoy their babies, and not worry about cot deaths. The chances of a baby dying from this cause are fairly remote."

Aspirin hope for heart disease

By David Fletcher

DEATHS from heart attacks can be halved by treating patients with aspirin coupled with a clot-dissolving drug, a study of 17,000 patients in 400 hospitals disclosed recently. Previous studies have found that aspirin is effective both in the prevention and treatment of heart attacks.

But the present investigation, the highest ever carried out on treatment for heart attacks, provides conclusive evidence of its value.

The study found that the two drugs were most effective when given as early as possible, but they still produced a considerable reduction in deaths even when given up to 24 hours after the onset of chest pain.

The effect of aspirin is to decrease blood clotting, and half a tablet a day for a month was found to reduce deaths by more than one-fifth for up to two years.

It also significantly reduced strokes, heart attacks and cardiac arrests, all by about one third.

The second drug, streptokinase, dissolves the clot in the coronary artery that causes the heart attack and even when given on its own was found to reduce deaths by more than a third, provided it was given within four hours of the start of the attack.

A statement by the British Heart Foundation, which partly financed the study, said the two drugs given in combination was the most effective way of saving lives.

Mortality among patients given the combination was only 7.8 per cent after five weeks, compared with 12.8 per cent among patients given dummy drugs.

Prof Desmond Julian, the foundation's medical director, said: "These results are very exciting and the success of this and other studies have important implications for patients with heart disease."

"However, it is important to emphasise that if the results of this research are to be translated into an improvement in the health of the population, then both the public and the medical profession will need to react more promptly when a heart attack occurs."

The result of another study released yesterday concluded that beta-blocker drugs prescribed for high blood pressure are effective in reducing the risk of heart disease.

The study, led by Dr John Wikstrand, of Gothenburg University, tested 3,000 patients over two years and found that beta-blockers and another type of drugs, diuretics, were equally effective in reducing blood pressure.

But for the first time it showed that beta blockers were also effective in preventing heart attacks.

Coronaries top list of killer diseases

GENEVA (AP): The coronary death rate has declined in 20 Western countries over the past two decades but coronaries remain the number one killer in the industrialised world, the World Health Organisation reports.

Death rates from coronaries have dropped by between 30 and 40 per cent in Australia, Canada and the United States and by between 10 and 14 per cent in France, Luxembourg, and Britain, according to WHO's just published statistical yearbook.

Improvement in Austria, West Germany, Switzerland and the Scandinavian countries was less pronounced, listing declines by up to only 9 per cent. Eight European countries report an increase, with the coronary death rates in Romania and Spain up by more than 50 per cent, and up to 25 per cent in Greece, Bulgaria and Czechoslovakia.

Lung cancer, the most common form of cancer in the industrialised world, has progressively increased by an annual 0.5 per cent worldwide since 1975, the yearbook says. It notes, however, that incidence among men is declining in many parts of the world while lung cancer among women is "rising in parallel with cigarette consumption."

Higher death rates from cirrhosis of the liver reflect a "sharp rise" in alcohol consumption throughout the world, the yearbook said, citing specifically a "rapid pace" in production in Third World. But it said that industrialised countries still out-drink developing nations.

France, West Germany, Italy, Portugal and Spain as well as Argentina, Burundi, Uganda and some Caribbean countries rank among "heavy

consumption countries, with an annual per capita intake of the equivalent of 15 litres of pure alcohol."

Trailing them with a consumption of between 10 to 15 litres are 18 other countries, including the United States, Canada, Denmark, the Netherlands, Chile, Switzerland and South Korea.

Iceland has the lowest death rate from liver cirrhosis, two per 100,000 and Chile the highest, 60, followed by Portugal, 30, Austria, 27, France, 23 and West Germany, 19.

Japan continues to lead the world in life expectancy at birth, with 75.5 years for men, and 81.6 for women. Iceland is second for men, 75.1 years, and Switzerland second for women, 80.6 years.

WHO predicts that because of growing life expectancy in the Third World, about two thirds of the world's population of senior citizens — 60 years and older — will be living in developing nations by the year 2000. In 1960, the Third World share of the aged was only just 50 per cent.

"Not only is the aged population increasing but the

elderly population is itself getting older," the WHO commented, predicting a mounting problem for national treasuries. "It is unlikely that the financial resources needed to meet costs will increase proportionately to the numbers of the elderly."

Thousands of other data in the 455-page yearbook covering 52 countries suggest that Hungary still tops the suicide statistics, with 66.1 male and 25.9 female deaths per 100,000, followed by neighbouring Austria, 42.1 and 15.8, Denmark, 35.1 and 20.6, and wealthy Switzerland, 33.0 and 13.2.

By contrast, Kuwait reported only 1.2 male and 0.5 female suicides. Communist East Germany did not supply any statistics for this category and the Soviet Union was among the more than 114 WHO countries not covered at all by the yearbook.

The United States led the homicide statistics with 12.8 men and 3.9 women per 100,000 population killed in 1984, compared with 6.7 and 1.7 in Argentina and 3.5 and 2.2 in Hungary, 3.3 and 0.7 in Italy, and 0.8 and 1.2 in Switzerland.

water first, to wet your oesophagus (the "pipeline" that carries food, water and medicines from your mouth to your stomach), making it easier for pills to slip down the less likely they will "stick" — which can cause real problems; (3) put the pills as far back on your tongue as you possibly can; (4) take in at least three to four ounces of water and then tilt your head back with your chin in the air as you swallow; (5) to be sure all is well, drink another three or so ounces of fluid about five minutes after you take the pill; (6) if you are fairly convinced the pills have not made it all the way down, try this, take a few bites of banana before you drink another glass of water. The oil from the fruit will lubricate the pills and your oesophagus and will help push them down; (7) unless absolutely necessary, do not break pills in half. Broken, sharp edges might increase the possibility of them sticking.

If after all this you still have trouble, your doctor may be able to prescribe your medication in another form — liquid, paste or suppository, to name a few.

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FAMILY DOCTOR

By DR ALLAN BRUCKHEIM

PREDNISONE, A STEROID, DOES HAVE SIDE EFFECTS

QUESTION: I have been on prednisone for a long period of time. My doctor assures me that I must have this medicine for my condition, but I have read that it may have serious effects if taken over long periods. Can you please help me?

ANSWER: Many conditions require the long-term use of prednisone. Prednisone is a steroid, which is a cortisone-like medication that resembles hormones made in the body. It is used to provide relief for inflamed areas of the body, decrease swelling, stop itching and to treat allergic reactions.

I'm sure your doctor is aware not only of its uses, but of its complications, so you will want to follow his/her instructions carefully. It is a strong medication that does have side effects. Prednisone may increase your risk of infection and make it harder to treat. Long-term use may produce one or more of the following symptoms: abdominal or stomach pains or burning, acne or other skin problems, increase in blood pressure, swelling of the feet or lower legs accompanied by weight gain, unusual bruising or wounds that won't heal and muscle cramps or weakness. Many of the side effects will go away without treatment

as your body adjusts to the medication. The most important thing you can do for yourself is to always keep your doctor informed of the things that have happened during your treatment. By doing this, you will increase your chances of achieving the desired results, and avoiding some of the difficulties of unwanted side effects. In addition, by keeping your lines of communication open with your physician, you may avoid some of the anxieties of the unknown, which I think prompted your very valid, and frequently asked, question.

QUESTION: Everytime my doctor prescribes pills for me to take, I break out in a cold sweat. I can never get them down without a struggle. Can you suggest something to help me swallow pills easier?

ANSWER: I'll certainly try. Here are some rules that you can follow when taking pills: (1) stand up while taking them, and continue standing for at least two to three minutes afterward ... 30 minutes would be even better if you possibly can. The longer you stand, the longer gravity will be working for you and the more likely that your pills will get to your stomach; (2) take a sip of

water first, to wet your oesophagus (the "pipeline" that carries food, water and medicines from your mouth to your stomach), making it easier for pills to slip down the less likely they will "stick" — which can cause real problems; (3) put the pills as far back on your tongue as you possibly can; (4) take in at least three to four ounces of water and then tilt your head back with your chin in the air as you swallow; (5) to be sure all is well, drink another three or so ounces of fluid about five minutes after you take the pill; (6) if you are fairly convinced the pills have not made it all the way down, try this, take a few bites of banana before you drink another glass of water. The oil from the fruit will lubricate the pills and your oesophagus and will help push them down; (7) unless absolutely necessary, do not break pills in half. Broken, sharp edges might increase the possibility of them sticking.

If after all this you still have trouble, your doctor may be able to prescribe your medication in another form — liquid, paste or suppository, to name a few.

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Technology assists blind, deaf

HAMBURG, (INP): A new type of reading instrument in which modern electronics and a hand-held camera are used to convert printed text into Braille characters has just been unveiled in Hamburg. It means that the blind are no longer restricted to Braille reading material specially printed for them, but have access to "normal" literature as well as personal letters and notes.

It may take some time for the "counter-reading" system for the blind to go into industrial production, but already there is no doubt that this system, developed by the North German Technical University at Clausthal, will greatly improve the orientation power of blind persons. A light-sensitive sensor at the tip of a device resembling a pocket torch now being tested by blind persons picks up outlines and passes them on to the wearer via wriststrap containing electrodes.



This new type of reading aid makes it possible to convert the print of a newspaper or book into Braille.

Technology is also assisting the deaf in the form of electronic hearing aids which involve implanting a tiny computer behind the ear. A microphone and a transmitter are

built into a hearing device worn across the back of the head rather like a reversed pair of spectacles. The microphone picks up the sound and conducts it by wire to the speech

processor, which is worn around the midriff and looks somewhat like a flat cigarette case. The mini-computer selects sounds required in spoken language and sends coded signals via transmitter to the implanted "receiver."

However, surgery of this kind — which has already been carried out in various hospitals in the Federal Republic of Germany such as the Aachen Clinic and the Hanover Medical University — can be performed only on patients who retain intact hearing nerves despite their deafness. And they have to be well enough motivated to play an active part in treatment which, with hearing training and post-operative care, takes about one year.

The Fraunhofer Institute in Duisburg and scientists from Cologne University are currently working together on the development and refinement of an existing hearing aid.

ANDY CAPP

By Smith



BUSINESS & FINANCE

Syria to get Bonn aid

DAMASCUS, April 10. (Reuters) West German Economic Cooperation Minister Hans Klein ended a four-day visit to Damascus today by announcing a \$7 million mark grant to Syria.

He also told reporters that a special protocol was signed during his visit to promote economic and commercial cooperation between the two countries.

Syrian Planning Minister Sabah Baqaji told Reuters that West Germany had agreed to finance several new development projects in Syria.

Klein had three hours of talks with President Hafez Al Assad which he said covered developments in the Middle East, the Iraq-Iran war and the situation in Lebanon.

Kuwait to finance water projects in Senegal

THE Kuwait Fund for Arab Economic Development has granted loans totalling KD 4.75 million for water projects in Senegal, the Kuwait News Agency Kuna said yesterday.

It said the projects covered well drilling and equipment for villages in Tiya and Eastern Senegal provinces.

IMF and World Bank meeting in Washington

Move to cut Third World debt

WASHINGTON, April 10. (AP) Plans are on the table for cutting the Third World's trillion-dollar debt as top officials from banks and finance ministries of many countries meet here this week in closed-door sessions.

The World Bank and the International Monetary Fund, owned by the same 151 countries, are holding one of two big annual sessions at the Fund's headquarters in Washington. The second will be in Berlin in September.

Representatives of Third World countries will meet among themselves beginning tomorrow, and with those from industrial countries.

The wealthier countries will have their own sessions with officials from central banks included. People from commercial banks will be around the edges and entertain the others at private parties.

The two international finance organisations are led by the United States are other non-Communist governments, although China, Poland, Hungary also belong. The Soviet Union is not a member, but there have been reports that Soviet leader

Mikhail Gorbachev would like his country to join.

US Treasury Secretary, James A. Baker III, is proposing a variety of choices for reducing the Third World debt to commercial banks, to which the most heavily indebted countries owe about 75 per cent of their obligations. Growing fear that they will never be fully repaid has spurred these banks to make new decisions.

President Barber Conable of the World Bank is scheduled to tell the joint development committee of the two institutions on Friday that times have changed.

Conable has prepared a report saying that poor countries' debts are now being seen increasingly by the rich ones as a threat to their own growth, because the poor countries have to pay so much of their income on old debts and not on buying the things they need to live.

For the first time, technicalities for debt reduction are now playing a larger role than heretofore in the debt strategy, he says. "They must pay an even larger role in the future."

There is a consensus that the Third World needs more money

from outside, as poor countries always have.

But there are many opinions about how they should get it and what proportion should come from official grants, private investment, new loans from commercial banks, governments and intergovernmental bodies, and from direct or indirect forgiveness of old debts.

Conable contends that if the Third World does not get enough of the new money it needs, it will have to reduce payments on old debts. Brazil, Peru, Bolivia, the Ivory Coast, Sudan, Liberia and others have done that in the recent past. Some debtor governments have agreed to catch up, but performance is mixed and others are threatening future suspensions.

Options include some that would reduce the face value of the debts owed to the banks. One is a "debt-equity swap" in which a bank exchanges the money owed to it for shares in the debtor country's industry. This has been done in Chile.

Others are variations of a Mexican plan that exchanges old debt of doubtful value for a smaller amount of new debt backed by the US treasury.

In a confidential memo to bank officials and member countries, Conable has suggested still others for consideration. One would be for banks simply to waive part of the interest owed them. A waiver of 2 per cent points would give the 17 most heavily indebted countries \$5.6 billion the first year, he calculated.

New Money

The Institute of International Finance, speaking for 165 banks in 38 countries, has asked the International Monetary Fund to create about \$29.5 billion worth of new money. That would help the debtors to keep up with some loans and to borrow more.

However, one critic, Richard Feinberg, vice president of the Overseas Development Council, said that measure would mostly help the banks. The ODC is a private group that studies Third World issues.

The idea was put forward by Horst Schulmann, the West German who is managing director of the institute. He said the United States could use its share of the new money, about \$5.9 billion worth, to trade on international markets and help keep the dollar and other currencies stable.

Big gyrations of currency values in recent years seem to be due partly to vastly different policies of major governments. Getting them to work together will be another focus of the week's meetings.

The high point is expected to be a session at the US Treasury on Wednesday in which Baker will meet with his counterparts from Japan, West Germany, France, Britain, Italy and Canada.

The Group of Seven, known as G-7, has set up some ten "indicators" of how their countries work, including such statistics as inflation and the size of the government's surplus or deficit compared to the country's total production. The complete list has not been made public.

Realised

Baker is seeking to get nine included that will use the price of gold, among the prices of other commodities. This is being resisted by some officials who see it as a step toward return to the gold standard for currencies.

The seven will review what has happened in each country with relation to these indicators, in the hope that the record will give each an indication on what his future policies should be.

World Business Summary

Political issues baffle Third World trade meeting

BELGRADE, April 10. (Reuters) A Third World meeting on trade has been complicated by political issues with Panama, an observer, trying to push through a resolution condemning the United States, conference officials said yesterday. A resolution from the Palestinian Liberation Organisation (PLO) also had political implications, they added. Senior officials of 60 developing countries, members of "Group 77" (G-77) on establishing a Global System of Trade Preferences (GSTP), have been hammering out an agreement on regulation of mutual trade tariffs and concessions in Belgrade since Wednesday. But GSTP officials said there had been attempts to politicise the meeting with the resolutions from Panama and the PLO dividing delegates and causing endless consultations. Panama wanted the meeting to adopt a resolution condemning the United States for a policy of "economic coercion", similar to a resolution adopted by Latin American Economic System (Sela) council in Caracas on March 28, conference sources said. The Reagan administration has said Panama's General Manuel Antonio Noriega is a threat to US national security and has ordered all Panamanian government assets in US banks to be frozen and barred American companies, their subsidiaries and US citizens from paying taxes owed in Panama. The measures are part of a US campaign of economic pressure on Noriega, who was indicted in Florida in February on drug trafficking charges.

Conference sources said the PLO had put forward a resolution asking to retain its position on the GSTP negotiating committee, although it cannot formally join the GSTP since it has no country and nothing to offer in terms of trade. Conference chairman Marko Kucin told Reuters both issues had been referred to a G-77 ministerial meeting opening tomorrow. He said Panama, as an observer, could not put a resolution on the agenda and that it would have to be done by some other country which had fulfilled all the statutory requirements.

Indonesia and Venezuela to coordinate oil strategy

JAKARTA, April 10. (Reuters) Opec moderates Indonesia and Venezuela will coordinate strategy for an unprecedented meeting between Opec and non-Opec oil producers during a visit this week by Venezuelan President Jaime Lusinchi. Energy Minister Giandjar Kartasasmita will fly back from the Vienna meeting of the pricing panel of the Organisation of Petroleum Exporting Countries (Opec) to greet Lusinchi, who will arrive on the resort island of Bali on Tuesday afternoon, Indonesian officials said. Indonesia and Venezuela are key non-Arab moderates within Opec, who are both members of the five-man pricing committee which met in Vienna yesterday. The other members are Saudi Arabia, Algeria and Nigeria. The committee agreed to hold an unprecedented meeting with at least seven non-Opec producers in Vienna on April 23 in an effort to cooperate to shore up weak world crude prices. Venezuelan Energy Minister Arturo Hernandez Grisanti, who flies back with Giandjar, is also scheduled to visit non-Opec producers Malaysia, Oman and Egypt, and has already had talks with Mexico. The four, plus China, Colombia and Angola, are the seven so far said to be invited to the Vienna meeting, which will be followed by a full session of Opec on April 25. Venezuela called yesterday's pricing committee meeting after oil prices slumped to between \$3 and four below Opec's reference price of \$18 a barrel on the spot market.

Tate and Lyle launches tender offer for Staley

LONDON, April 10. (AP) Tate and Lyle Plc, a major British sugar refiner and distributor, announced yesterday a \$1.33 billion cash tender offer for Staley Continental Inc., the United States' second largest refiner of corn sweeteners. Tate and Lyle, which already owns nearly 5 per cent of Staley's stock, said it was offering \$32 a share for all the remaining shares. Staley, based in Decatur, Illinois, had proposed that Tate and Lyle build on its stake acquired in November and become a more substantial minority shareholder, Tate and Lyle said. But Tate and Lyle said it decided to launch the tender offer instead.

The acquisition would give Tate and Lyle its first interest in the US corn sweetener market. Tate and Lyle said it would become the only supplier of all three types of sugar — corn, beet and cane — in the United States.

"We are confident that, as part of Tate and Lyle's North American division, the performance and competitive position of Staley's corn activities will be significantly enhanced," said Tate and Lyle chairman Neil Shaw. The tender offer represents a 78 per cent premium to Staley's share price of \$18 a share before the Tate and Lyle stake was announced. But the price is only 6 per cent higher than Staley's share price of \$30.125 a share on Wednesday, Tate and Lyle said.

Bid to attain production cuts

Opec to invite non-Opec countries for Vienna talks

VIENNA, April 10. (Reuters) Higher oil prices are in prospect after Opec decided this weekend to involve producers from outside the organisation in new talks that may lead to production cuts to tighten an oversupplied market.

Opec's five-man ministerial pricing committee decided at a meeting yesterday to invite seven non-Opec countries to join it in further Vienna talks set for April 23.

A consultative meeting of all 13 members of Opec would follow on April 25, organisation President Rihaman Lukman of Nigeria said.

It could, turn, itself, into a decision-making session, though Opec officials said.

Collaboration between Opec and non-Opec sellers on such a scale has no precedent and Ferguson Macleod, an analyst with British investment bank Barclays de Zoete Wedd, called the

news "very bullish" for the market.

Vahan Zanooyan, a senior director of Petroleum Finance Company in New York, said: "We could see at least one dollar upward move on this news."

Free or "spot" market crude oil is now around \$15.50 a barrel. Opec members are supposed to charge contract prices at \$18 but the spot market weakness has forced some to offer discounts, threatening a downward spiral.

Appreciated

Algerian Oil Minister Belkacem Nabi, an advocate of further cuts in Opec output quotas beyond those already in force, said he expected the forthcoming talks to result in such cuts.

"Definitely. A decision on a reduction of output is expected at the April 25 conference," he told reporters.

Deputy Oil Minister Kazempour Ardabili of Iran said he

appreciated what is now planned. "We hope cooperation will emerge between Opec and non-Opec," he said.

Iran does not sit on the pricing committee — made up of Indonesia, Saudi Arabia, Nigeria, Algeria and Venezuela — but Ardabili flew to Vienna to press demands by organisation "hawks" for it to call an extraordinary Opec conference ahead of the next scheduled session in June to cut output by five to 10 per cent.

The seven non-Opec countries invited to Opec headquarters in Vienna later this month are China, Mexico, Egypt, Angola, Malaysia, Colombia and Oman. They recently held talks of their own on the weakness in the market in London.

But the list excludes the United States and the big European producers — the Soviet Union, Britain and Norway. Lukman said in reply to a reporter's ques-

tion that the Soviet Union and Norway also might be invited to Vienna.

Britain, however, like the United States, opposes managed output cuts that interfere with a free market in oil.

Output

The seven so far invited to Vienna account for output of eight million barrels daily, compared with just over 17 by Opec, and they export only four million.

Opec ministers have shuttled on past occasions to the Soviet Union, China, Mexico, Norway and Britain, urging the need for them to join it in curbing output, restraint, but with only varying degrees of success.

Meanwhile, Saudi Arabia, the biggest exporter, belongs to a group of Gulf states which is traditionally reluctant to drive prices too high for fear of stampeding the West out of Opec oil.

Analysts today were thus unsure if Opec's new initiative, while immediately likely to buoy prices, would produce long-term results or just buy time for an organisation which has itself been divided over whether new output cuts are needed.

But analysts said they were expecting prices to pick up anyway between July and September because the industrial world must replenish oil stocks ahead of the northern winter.

Higher

Tighter output restraint by producers could mean increased prices at the petrol pump and higher domestic heating charges later this year, they said.

Opec agreed in December to set output for the first six months of 1988 at 15.06 million barrels daily for 12 of its 13 members. Iraq refused to accept an output quota because it could not get one as big as that of Gulf war foe Iran.

Australia retreats from Qantas merger

CANBERRA, Australia, April 10. (AP) Transport Minister, Senator Gareth Evans, today retreated from a proposal to merge Qantas, Australian Airlines and Air New Zealand to form a new Cross-Tasman Airline.

His announcement came against a background of political controversy in both countries over the issue.

In a written statement, following talks with New Zealand's Minister for State-Owned Enterprises, Richard Prebble, Evans said it had become apparent that difficulties involved were "too great" to pursue the idea further.

He added that the two governments were continuing to explore the possibility of a closer relationship between Qantas and Air New Zealand, which "if combined" would become the sixth biggest international airline in the world.

A three-way merger involving domestic carrier Australian Airlines has now been ruled out and it is now apparent that even a combining of Air New Zealand and Qantas is highly unlikely in the short term, observers said.

Under the original plan, the Australian government would have had a 41 per cent stake in a merger of the three airlines and the New Zealand government 10 per cent with the remaining 49 per cent of shares private.

KCSB gives more loans

THERE was a significant increase in loans given by Kuwait's Credit and Savings Bank last month.

A press release said that 366 loans were given for real estate purposes in March compared to 166 loans in February.

It granted a total of 432 loans, including those for real estate, totalling KD19,612,614 during March.

In addition, the bank gave 339 loans amounting to KD678,000 for social purposes.

The total loans balance up to March 31 amounted to KD889 million, the release said.

Base metal prices soar on world markets

LONDON, April 10. (Reuters) Base metal prices are soaring on world markets, buoyed by record demand as manufacturers find the last year's financial crash has not hit economic activity.

Demand for raw materials for consumer goods and for building, particularly in Japan, has been as important as extensive production difficulties in pushing nickel and aluminium prices to all-time records.

Minor metals, too, have benefited from healthy manufacturing demand to bounce back from recent depths.

Suspicious But producers are still suspicious that price bubbles will burst, and are reluctant to invest in new capacity.

In late March nickel fetched \$10.84 a pound (0.454 kilos) far in excess of delivery, the highest price ever for a base metal on the London Metal Exchange (LME), and LME warehouse stocks were a five-year low. In January, it was under \$3.

"Ten-dollar nickel" is chiefly the result of a tax dispute between producer Falconbridge Dominicana and the government of the Dominican Republic, source of five per cent of the West's nickel. The row has tied up some 5,000-6,000 tonnes of stocks.

In three days this month, spot nickel tumbled \$1.66 to close on April 8 at \$7.46, with rumours suggesting Japan might release some of a strategic stockpile of 8,000 to 9,000 tonnes.

But analyst Neil Buxton of broker Shearson Lehmann Brothers said: "The fundamentals for nickel are exceptionally good, based on all-time high levels of demand..."

Spare With little spare capacity available, 1988 consumption is likely to exceed production by some 60,000 tonnes. Total Western output is some 550,000 tonnes.

Barring more output problems, Buxton sees the price

settling around four to \$5. But wage settlements are pending in the industry and, with stocks low, some analysts say strikes could yet push spot nickel up to \$14.

Some 60-65 per cent of world nickel consumption goes to make stainless steel. Buxton said, "there is no indication whatever that the offake is slackening." Stainless steel buyers have full order books into the third quarter.

Demand

Nickel has pulled up other alloying metals in its wake. Molybdenum reached a three-year high in March of \$4.40 a pound from \$3.00 in January. On April 8 it closed at \$3.75 a tonne, and chrome metal is up some 14 per cent this year at \$3.20 a pound.

Traditionally active industrial buying for the second quarter also took aluminium to a record price of \$2,538 a tonne for three-month delivery this month. Analysts say a sharp fall of \$146

to an April 8 close at \$2,392 is only a healthy correction as speculators took profits.

Robin Bhar of broker Rudolf Wolff said demand remained strong and when supplies eased in the second half, aluminium should sustain a price of \$1,800 to 1,900 a tonne.

In 1987, demand exceeded Western output of 13.5 million tonnes by an estimated 250,000 to 300,000 tonnes, he said. And he saw a possible 150,000 to 200,000 tonne shortfall in 1988, with demand rising steadily into the early 1990s.

Consultants Antony Bird Associates are more optimistic say smelters' expansion plans will still leave Western production almost four million tonnes short of demand by 1996.

Unusually, aluminium is fetching more than copper, whose properties are similar, and there are fears it may become uncompetitive. On Friday, three-month copper closed at \$2,293, almost 100 behind aluminium.

Tax incentives stimulate investment growth

IN the budget speech on February 29, Indian Finance Minister, N.D. Tiwari, announced a number of exemptions and reliefs. As it is India offers the largest number of tax incentives in the world. But rightly so, because countries adopt different strategies for faster economic development.

The fiscal policy and fiscal system are the most important instruments used by the government to fulfil the aspirations of its people, since in the words of Adler (1964) they reflect the citizens' general economic views and aspirations, which it may have in common with other countries or may be peculiar to it; but they also are the result of the country's social and cultural institutions, its resource endowments, the structure of its economy, the distribution of income and the seat of political power in a configuration which is inevitably unique.

There are various aspects of fiscal policy but the most commonly encountered development-oriented tax legislations are tax laws that reduce taxes for persons engaged in selected

activities whose encouragement is considered of particular social merit. Such tax laws which reduce taxes are widely known as tax incentives, tax exemptions or subsidies, according to Financial Express.

The rationale of such tax laws as a measure of fiscal system to induce investment in developing economies has been discussed here.

Firstly, the nature and objectives of tax incentives have been dealt with; then the controversy regarding the usefulness of tax incentives; cost benefit analysis of tax incentives, various conditions which should exist for tax incentives programme to be effective and lastly a brief list of alternatives to the measure of tax incentives.

Exemption

Tax incentives may mean partial or complete exemption from one or a variety of taxes and special allowances, ordinarily for a limited period of time and which may motivate the behaviour or action of an individual, company or industry. Such motivation could be in terms of investment activity or

labour services.

The term tax incentives differs from the tax expenditure. The term tax expenditure may be used to describe those special provisions of a fiscal system which represent government expenditure to achieve various social and economic objectives.

Tax expenditure is, therefore, an added alternative method of utilising Government resources. Accordingly, not all tax expenditures could be considered tax incentives. Rather, only those tax expenditures which induce action generally individual or corporate may be considered as tax incentives, and all those tax expenditure, provisions that are concerned with involuntary activities of tax payers would not be tax incentives.

Thus the term tax incentive is narrower than the term tax expenditure. Of course, tax incentives does involve the expenditure of government funds but in a different way.

The primary objectives of tax incentives as a measure of fiscal policy are: To mobilise savings; and to encourage and channelise investment in selected manufac-

Required Immediately

1 — Coffee Shop Manager

- Arabic-speaking.
- Min. 5 years experience in 5 star hotel + 2 years as coffee shop manager

2 — Chef du Partie (Garde-Manger)

- Min. 2 years experience in 5 star hotel in similar position

3 — Pizza Specialist

- Min. 2 years experience in a well-known Pizzeria

4 — Asst. Cook (Garde-Manger or Pasta)

- Min. 2 years experience in 5 star hotel

5 — General Cleaner (Pot washing, dish washing)

- Knowledge of basic hygiene is a must.

6 — Cashier/Storekeeper

- Min. 2 years experience as accounts clerk

7 — Driver with valid Kuwaiti licence

All applicants should have:

- 1 — Transferable Iqama
- 2 — Valid Medical Card
- 3 — Good knowledge of English language

For interview please call: 4831955, 4831636, 4831871

NRI INVESTMENT AND FINANCE

ARAB TIMES SUPPLEMENT ON NRI INVESTMENT

India to regain investor confidence

Surge of fresh interest

By M.C. Bose

THE first-ever seminar of Non-resident Indians (NRIs) in the Gulf has urged the appointment of an independent minister at the Centre (New Delhi) to look after NRI interests and protect and promote their investments in the country. The seminar was held in Bahrain from March 30 to April 1.

The Indian ambassador to Bahrain M. P. M. Menon inaugurated the seminar. The NRIs also demanded withdrawal of the new wealth transfer tax and codification and publication of a comprehensive document on NRI investment policies and procedures.

P. K. Mankad, Controller of Capital Issues and Joint Secretary, Ministry of Finance, who flew into Bahrain to deliver the keynote address at the seminar, explained the government's policies and guidelines to control irregularities and cheating by unscrupulous companies.

Investment
Mankad called for a proper understanding of the system followed in India with regard to investments and the role played by his department in matters relating to public issues and investment policies. "While the government is aware of the fact that many NRIs have lost substantial amounts of money in investments in shares and other public issues of companies, these are being examined and a series of measures has been proposed, to effectively deal with the problems."

"In terms of the experience gained during the past few years, it is apparent that sweeping changes are required in several segments of the invest-



The Indian Ambassador to Bahrain M.P.M. Menon (fifth left) pictured along with P.K. Mankad, Madhukar Gupta, resident director, Indian Investment Centre, Abu Dhabi, Navin Meghiani president of NRI Investors' Group, Bahrain and other participants.

ment sector," he said. The Joint Secretary added: "It is also our view that structural modifications should be effected to the stock exchange system in force in India. Its concept and composition should be reviewed and altered to not only help NRIs to plan their investments methodically with safety and security but also to ensure a more efficient functioning."

He also mentioned that the government was currently examining the possibility of appointing agencies, qualified and competent to study the 'disclosures' made by companies applying for permission to float public issues.

These relate to the prospectus, memorandum of association and aims and objectives of the companies concerned.

A detailed analysis of these subjects is essential in order to identify the bonafides of such companies and the veracity of the claims that are made while seeking financial participation of the public.

Mankad said, "In view of the phenomenal growth of the capital markets in India and the interest evinced by residents

and non-resident Indians, a need also seems to exist for the creation of a 'national security board', similar to those functioning in some countries of the West.

"Such a body, we believe, should address itself to the issues relating to the administration and activities of stock exchanges, investments made by resident and overseas Indians and the problems countered by them. The constitution of a board should also remove the lacuna that appears to exist in certain areas," he said and added, "the procedures regarding refunds, duties and responsibilities of dealers and others operating in the stock markets are also being amended to protect the interests of investors."

Demands

Replying to the NRIs' demands, Mankad said the government had taken several measures to regain investors' confidence in the capital and share markets. Mankad added that there was need for an exclusive, autonomous body to deal with NRI investments.

Mankad also stated that the government is considering the modification of the share transfer process through extension of validity of share transfer documents, etc. The government is also seriously considering to allow corporate and multiple membership in stock exchanges in India.

More than 250 NRI business executives, engineers, bankers, investment experts and other professionals from Kuwait, the UAE and Bahrain attended the seminar. The seminar was organised jointly by the NRI Investors Group in Bahrain and the UAE and Kuwait.

The biggest guest delegation was from NRI Investors' Forum, Kuwait, consisting of 53 representatives, headed by its chairman C. S. S. Khan Puri.

Some of the executive members of the NRI Kuwait Forum, Rajao Niresbwalla, Mohammed Merchant, E. Sarangapani, Abhay K. Mehta and Gururaj N. Rao, even though they did not present papers, took keen interest in making the seminar a great success. See also page 12

New India trade policy will help boost NRI hopes



N.D. Tiwari

NEW DELHI: India has dropped the condition of permanent return of Non-resident Indians for availing special facilities.

Announcing the Import-Export Policy for 1988-91 in parliament last week Finance Minister N.D. Tiwari said the NRIs will continue to have special facilities in the matter of capital goods, raw materials, components and consumables required for setting up an industrial unit.

Tiwari said the NRIs could import capital goods which are in Open General Licence list, and under the OGL goods which are not restricted for import up to a landed cost of Rs 3.5 million.

In case the capital goods exceeded this limit, the application for import would have to be made to the special approval committee (NRI).

System

Import of computer or computer-based system will be allowed without any minimum configuration.

The policy states that NRIs will be allowed to import raw materials, components and spares to meet the requirements of industrial units set up by

Continued on Page 13

Envoy hails NRI role

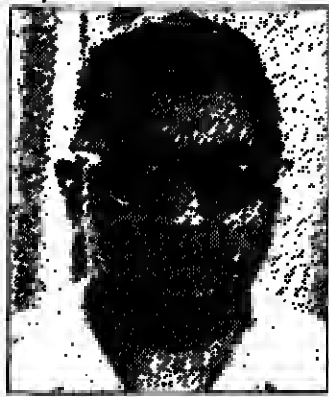
MY stay in Kuwait of three and a half years has, for the first time in my career, brought me into close contact with Non-resident Indians and, particularly, their aspirations and their problems.

The Indian Embassy in Kuwait, as well as our embassies throughout the Gulf have, in our own way, attempted a mitigation of these problems and to further acquaint them not only with the policies pursued by the government of India in the matter of NRI investment etc., but, above all, with the realities of contemporary India.

Procedures

Above all, I have been greatly impressed by the patriotism of my fellow countrymen here and elsewhere in the Gulf which usually manifests itself in a deep and sincere desire to be of assistance to our mother country and facilitate an even more rapid pace of economic development.

Over the last few years the government of India has considerably simplified bureaucratic procedures though, inevitably, some seemingly complicated



N. N. Jha

procedures continue to remain and, must perforce be accepted, as such, for what they are.

A close and dispassionate examination of the administrative procedures that still remain will indicate that they are, basically, meant to subserve the purposes of rapid economic development which, it will be agreed, is considerably different from the urge and desire on the part of any individual to make a quick profit.

Thus, in the ultimate analysis, it is discernible that

the government and the people of India as well as the Non-resident Indians are, really speaking, all on the same side and the dawning of this simple fact will immensely contribute to a general realisation of the NRI's desire and aspirations in this regard.

Momentum

I have often emphasised the fact that sooner, rather than later, NRI investment in the Indian economy will have to get into the non-elitist sector which, alone, will impart the necessary momentum to our economy to reach a take-off stage even more quickly.

I am confident, however, that regular and frank interaction between NRIs and the embassies and NRIs and the government of India will greatly contribute to this process. Therefore, the momentum imparted to this direction in the last two or three years needs to be carefully nurtured and further quickened in the next coming years.

Consequently, I wish all concerned in this great adventure every success for the future. Message of Indian Ambassador to Kuwait N. N. Jha

Import-export policy highlights

NEW DELHI: The highlights of the new import-export policy are:

● 944 items on open general licence including 209 items of life saving equipment, 108 items of drugs and 99 items of machinery.

● Scope of import replenishment scheme broadened.

● Inbuilt flexibility of 10 per cent of value addition to be allowed on rep licences.

● Indigenous supplies made against duty free licences to qualify as "deemed exports."

● Intermediate advance licence expanded to cover all items.

● Import of 26 items decanalised.

● Export houses, trading houses scheme revamped.

● Eligibility limits for recognition of export house trading house fixed at Rs 2 crores and Rs 10 crores of net foreign exchange earnings respectively.

● Additional licences made transferable.

● Flexibility of import of limited permissible and canalised items allowed upto 10 per cent for export houses and 15

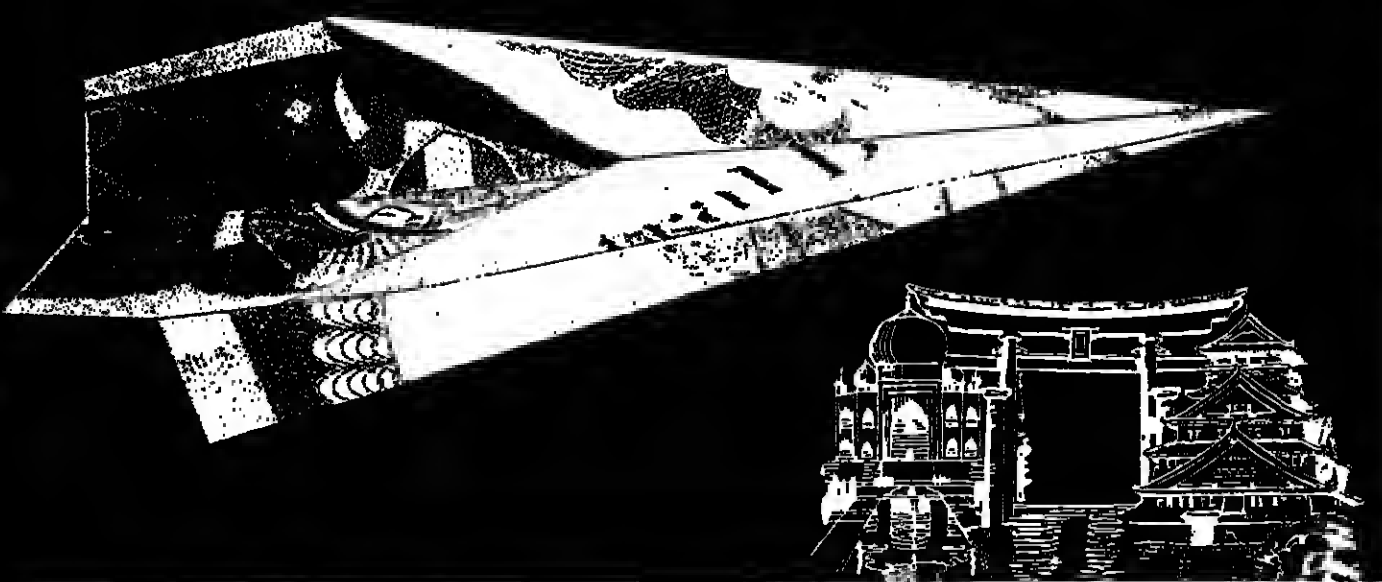
per cent for trading houses.

● Established manufacturer exporters to be allowed facility of import of capital goods notwithstanding indigenous availability.

● Speedy clearance of supplementary licences for capital goods industry manufacturing tailor-made items. 50 per cent raw materials and components to be cleared immediately on receipt of application.

● Limits for import of drugs, medicines by hospitals, medical institutions, individuals and medical practitioners enhanced.

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- The new Civic has speed responsive power steering.
- The new Civic has an electric smoked-glass sunroof.
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Call to scrap transfer of Wealth Tax

Overseas Indians 'must set up world body'

NEVIN Megchiani, president of NRI Investor's Group, Bahrain, in his welcome speech, said that this is the first joint seminar of the Gulf NRIs and proposed to form a consortium of the forums in order to ensure effective steps for the benefit of all concerned.

C.S.S. Khanpuri, chairman of the Kuwait NRI Investors Forum, addressed the gathering and introduced the office-bearers of the Forum to the conference. He also traced the history of the Forum and threw light on its various activities and the role of investment and technology sub-committees and the monthly newsletter.

He emphasised that the forum's activities are carried out with the guidance of the Indian Ambassador to Kuwait N.N. Jha who is the founding patron of the Forum.

Khanpuri told the audience that the fundamental objective of the Kuwait Forum and the other sisterly forums in the Gulf is to disseminate information about the investment opportunities and incentives in India and to alert the NRIs about the pitfalls and difficulties in making such investments.

Role
The role of the Forum is strictly limited to investment strategy alone. It is the duty of all Indians living abroad to do their bit to support and strengthen the Indian economy in their own small way.

Mohan Menon, vice-chairman of the Kuwait Forum, centered upon various positive and constructive suggestions to be adopted by the Government of India, for the betterment of all NRIs working abroad, including the skilled and semi-skilled workers, returning NRIs for permanent settlement in India and also for the economic development of our motherland. The suggestions put forward by Menon mainly include the following points:

- Income from NRE deposits should be exempted from income tax even after the NRI returns to India for permanent settlement, until the maturity of the deposit.

- Abolition of deduction of 30 per cent withholding tax at source on interest income earned by NRIs on NRO Account.

- Withdrawal of RBI directive banning by NRIs renewal of matured NRE/FCNR deposits, with retrospective effect. This totally a unwarranted discriminatory treatment detrimental to NRIs as this facility is available for resident Indians.

- The proposed FCNR Bond/Certificate for NRIs on non-repatriation basis, should be issued containing the following conditions:

- a) It will be allowed to remain in US\$/£ even after the NRI returns to India for permanent settlement, until maturity of the deposit.

- b) The interest on these bonds/certificates should be free of income tax until maturity even after the NRI returns to India.

- c) If the NRI continues to be an NRI at the time of maturity of the deposit, the same should be renewed for further period on same terms and conditions.
- d) The interest rate of these bonds should be at par with NRE Deposit.

- Clarifications have been sought on the acquisition by NRIs of more than one residential property, agricultural land and commercial property.

- All properties acquired by NRIs out of foreign exchange remittances should be exempted from Wealth Tax.

- NRIs should be allowed to opt for deduction of 20 per cent flat rate of tax on dividend income even after the NRI returns to India for permanent settlement and that the shares purchased out of foreign exchange remittances should be included in the specified asset category.

- The existing benefits available for Resident Indians of no tax deduction at source on dividend/interest income from any one to the extent of Rs 2,500, should be extended to NRIs also.

- RBI should allow 6 months time minimum to NRIs for availing RIFEE/re-conversion scheme and that the RIFEE entitlements should be fixed in US\$ instead of rupee.

- Levy of 15 per cent tax on foreign exchange released under RIFEE Scheme, which is an entitlement on the foreign exchange earned, should be withdrawn forthwith.

Promises
The Secretary of Kuwait Forum K.A. Valsan's speech, supported by facts, figures and documentary evidences depicted the sad experiences of vast majority of NRI investors who were duped by various unscrupulous companies who did not fulfil their promises and failed in



Picture shows (from left to right) Ram Buxani, Mohan Menon and C.S.S. Khanpuri.



Some of the those who attended the Gulf NRI seminar in Bahrain.



Jal Thirth Rao, Vice President and Country Business Manager of Citibank, India, (centre) pictured with Hari T. Talwar, Regional Sales Manager (left) and Jolly Zachariah, International NRI Personal Account Officer for Kuwait.

adhering to the various relevant provisions of the Companies' Act. His presentation were appreciated and evinced great enthusiasm amongst the participants.

He also emphasised that the various government authorities should take immediate steps to protect the interest of the investors and monitor the activities of the promoters/directors so that the investors are not taken for a ride.

Ram Buxani, chairman, Overseas Indian Economic Forum, UAE, highlighted that the recent introduction of Transfer of Wealth Tax is nothing but the replacement of old Estate Duty. This has shaken the confidence of the people. So, this should be scrapped.

Buxani stated that the Indian government's efforts to promote export definitely promoted foreign trade, but never promoted Indian merchandise. Indian industrialists, who have a huge home market, exported goods from India only to get the benefits of export incentives in the form of import licences which gave much larger gains than the cost of exports. So, exports were never built up in true sense. That is why Indians are in no way near even to tiny nations like Taiwan or Hong Kong in the world of export market. "It is strange that the people of one country, living in a second country, promote the products of third country."

"This is the situation of an overseas Indian businessman. Japanese sell their own products, similarly Taiwanese and Hong Kong people deal with their own respective products. But the Indians take pride in handling non-Indian products," he added.

Improved
Buxani said that if India's export is to be improved, the quality of the products should be improved to international standard, and at the same time holding competitive price line, before trying to capture export market.

He also said that his forum would host the next joint Gulf seminar in Dubai.

Russi Patel, member of NRI Consultative Committee, said that several concessions had been given to NRI investments in recent years, the most impor-

tant of which being the rule that made it compulsory for Indian companies inviting subscription against shares from NRIs to open Foreign Currency Collection Account with overseas branches of Indian nationalised banks. The subscription money so collected has to be retained in these accounts till the allotment is finalised and only the net amount can be repatriated to India after allotment letters are issued and the excess subscription, if any, is refunded to the applicant in foreign currency.

Schemes
Patel said that NRIs mainly opt to keep funds in NRE/FCNR accounts and also show lack of interest in other schemes such as portfolio, company

deposits and non-repatriable direct investments. In the overall context of this situation, the question is whether the government is willing to make the necessary changes in its NRI policies and procedures notwithstanding likely opposition from domestic sources and local organisation.

Patel stated that some of the recommendations made by the NRI Consultative Committee were to simplify the existing policies and procedures concerning NRI investments, taxation and exchange control, permitting NRI investments in housing and agricultural sectors.

Bharat Kumar Shah of Overseas Indian Economic Forum highlighted the harassments

meted out to the NRIs in the hands of RBI, controller of capital issues and other concerned government officials and also Indian companies. Shah suggested that a special NRI cell should be created in all metropolitan cities including Cochin to deal with in all matters pertaining to NRIs.

Need
Praful Patel, member of NRI Consultative Committee from UK, in his elaborate speech, explicated the role of the Consultative Committee and endorsed the views expressed by Russi Patel and stressed the need for adequate feedback from the NRIs so as to strengthen the hands of Consultative Committee to submit appropriate recommendations to the Finance Ministry. He said that he is very much pessimistic about the NRI investments in India and the dynamic entrepreneurs like Swaraj Paul had very sad experience yet the overseas Indians are patriotic and constant connections with India should be maintained.

Patel strongly felt that the proposed Transfer of Wealth Tax is absurd and should be totally scrapped as this has shaken the very confidence of overseas Indians. He also said that it is time the Indian industrialists stopped stereotyping non-resident investors as corporate raiders or fund-suppliers and started allowing them to participate in the management of projects in India. He was emphatic in his assertion that the NRIs are not money-lenders, but are investors who would like to be seen as management partners.

Patel also called for formation of a world forum of Non-Resident Indians who will exert effective pressure on the Indian government to review its long-term policies.

R.K. Pandey, executive director of Delhi Stock Exchange, said that during the boom period of 1984-86 in the share market, there were heavy subscribers and heavy subscriptions. Now the subscribers are very selective and it is a stage of consolidation and correction in both the primary and secondary markets.

Quota
Pandey pointed out that in many cases, the promoters' quota has been misused. Certain companies have been told that the promoters' quota should not be offered to the public.

He also explained the listing procedures and said that the companies are expected to execute the listing agreement with the stock exchanges as declared in the prospectus and brochures, but many companies do not do so, on which the government has got very little control.

Bansi Mehta, the taxation expert, explained the various taxation as applicable to NRIs and stated that there are many problems being faced by NRIs in this area. He admitted that fiscal reliefs should be given to NRIs without changing any of the existing benefits. He stated that the proposed Wealth Transfer Tax has been widely misunderstood as a reintroduction of old Estate Duty.

Mehta clarified that under the proposed Wealth Transfer

Gulf NRI joint communique

THE following are some of the main proposals included in the seminar memorandum.

- The Government of India is genuine in its approach to give concessions to NRIs so as to attract maximum investments to India, but it was convinced that there are a lot of grey areas which must be rectified in order to make NRI investments in India more efficient and effective.

- NRIs in general are not asking for unreasonable concessions for the sake of concessions. "We do realise that in a complex multi-faceted society like India, asking economic advantages by one section of the people is unjustified and is highly impractical. However, the NRIs suggest the Government of India redress the anomalies in the system, enhance facilities and create a state of reliability towards investments and remittances so that incremental inflow of foreign exchange could be achieved.

- NRIs as a group themselves are of two distinct categories, viz. (a) NRIs of foreign nationality and (b) NRIs of Indian nationality. The Government should make due note of this difference while taking decisions concerning NRIs.

- The government must encourage more investments on non-repatriation basis on attractive terms for NRIs.

- Establish a separate cell or department to deal with NRI affairs. This could be attached to the Ministry of Foreign Affairs, Ministry of Finance or Ministry of Home, but at least under a separate Minister of State.

- NRIs fully understand and appreciate the impracticalities in giving voting facilities to NRIs, but the NRI community scattered all over the world number in millions. These Indian citizens at least could politically be represented by nominations to Rajya Sabha.

- Representations in the Boards of Public Sector Companies such as Air India, Indian Airlines, nationalised banks, etc., which derive substantial revenue from NRI users, NRIs not only as users, but also as people with wider international exposure could play very positive role in the management of the respective corporations.

- In spite of the fact that about 70 per cent of the inward remittances come from Gulf Indians, government machineries are not tuned for semi-skilled and skilled workers who form majority of Gulf Indians and who are the backbone of the inward remittances. Majority of the NRI schemes are aimed at sophisticated high technology and high profile investors. NRIs in the Gulf area request the government agencies to make note of this important aspect and bring out schemes aimed at these citizens. It is recommended that a "skill pool" be established for returning Indian workers so that they could use their acquired skill and experience for the betterment of themselves and the nation. Also, the government should allow them to bring in tools and equipment relating to their profession just as is now allowed to other professionals of high qualification.

- Liberalised length of stay be allowed for bonafide NRI

investors who come to India for exploring investment ventures or to follow-up/manage their already established ventures. Because of the fear of losing NRI status, many potential investors are scared away from investing in India.

- It is felt that almost 90 per cent of the NRI remittances to India come in the form of NRE/FCNR deposits and only a small portion constitute industrial/business ventures because of above problems and complicated procedural bottlenecks. A study should be made to simplify the procedures.

- Presently all NRE/FCNR incomes are free of income tax as long as NRI status is maintained. But on return for good, the citizen is liable for tax from the first day. However, as on the "Resident but not ordinarily Resident" basis, he need not pay any tax for 5 years on any foreign income if not operated from India. Because of this provision, big investors could deposit their savings in foreign based banks instead of India based banks and earn tax-free income (with RBI permission). This anomaly is detrimental to India and the returning NRIs. Therefore, the NRIs request the Indian Government to allow tax-free status or at least treat NRE/FCNR deposits on return to India as "Specified Foreign Exchange Assets" (similar to debentures/bonds) and tax at flat rate of 20 per cent until maturity of the deposits.

- In the current budget session, the Government of India announced its intention to issue FCNR Bonds/Certificates for NRIs on non-repatriation basis and the Gulf NRIs appreciate the benevolence of this decision. We have the following suggestions in this connection:

- a) These Bonds/Certificates would continue to be in the foreign currency at the option of the investor even after the final return of NRI until maturity.

- b) Interest is free of any tax until maturity even after the NRIs return for settlement in India or at least treat these bonds/certificates on return to India as specified foreign exchange assets. (Similar to debentures/bonds) and tax at flat rate of 20 per cent until maturity of the deposits.

- c) If the NRI continues to be an NRI at the time of maturity of the bond/certificate, the same should be renewed for further period on same terms and conditions.

- d) Rate of interest for these bonds should be as close to that of NRE deposits as possible.

- The Government of India encourages non-repatriable investments, proceeds of which are credited to NRO account. On this NRO A/c there is a tax deduction of 30 per cent at source of the interest earned. This is highly irritating and is a disincentive for the non-repatriable investments. "We have suggested abolition of this tax deduction at source and have written to the Government of India in December, 1986, but still no action seems to have been taken.

- On one side government talks about increased concessions/facilities and on the other the RBI has withdrawn even an existing facility in respect of overdue deposits.

In July, 1987, RBI came out with a directive to the bankers

stating that the overdue FCNR/NRE deposits cannot be renewed with retrospective effect, as has been prevailing hitherto, but only simple interest of maximum 5 per cent per annum, can be paid on the overdue deposits. Lot of NRIs whose deposits have matured and not renewed, are losing large amount of interest on account of this rule. This rule is not applicable to the Resident depositors. This is highly discriminatory and grossly illogical.

- The Exchange Control states that NRIs can acquire without permission of RBI, fixed property in India on non-repatriation basis for their bona-fide residential purposes. "Some experts have opined that only one residential property can be acquired under the above provision. There are many NRIs who hold more than one residential property in different locations for residential purposes of their parents and dependents. In such cases, what is the status? Similarly, what is the legal status of NRIs owning commercial/agricultural properties?"

- The current taxation relating to returning NRIs requires lot of rationalisation, viz. a) Wealth Tax. Presently, only properties acquired within one year before returning of NRIs, are exempted from wealth tax for 7 years. Majority of Gulf Indians are here on working visas and are liable to go home without predetermined time frame due to local conditions. Hence, buying properties cannot be predetermined in line with wealth tax time frame. "We request the Government of India to reassess this and grant wealth tax exemption on all relevant properties acquired by foreign exchange remittances irrespective of time frame."

- b) 20 per cent flat rate of tax deduction on the dividend income of NRIs is not applicable once NRI returns to India for good. This facility should continue and the shares are to be included in specified asset category. This would encourage investors to invest in shares, thereby indirectly boosting the corporate sector.

- In order to encourage small investors, there is no tax deduction at source upto an income of Rs 2,500/- from one dividend interest from companies for the Resident Indians, whereas there is a tax deduction of 20 per cent or 30 per cent at source even on small income from dividend/interest earned by NRIs. This anomaly should be removed forthwith.

- Presently, a returning NRI is given 3 months time for conversion of FCNR deposit into Indian Rupees and also to inform his bankers about his return. If he wants to avail RIFEE/re-conversion scheme, again the same 3 months time limit only is given. This is not sufficient. RBI should give 6 months minimum time of availing the RIFEE/re-conversion scheme.

- Also, the RIFEE entitlement should be fixed in US\$ instead of rupee in order to protect against the depreciating value of the rupee.

In order to promote fraternity among NRIs all over the world and to exchange views, disseminate information, etc. NRIs suggested establishing a World Body as well as regional bodies.

More India than ever before!
Summer Schedule

FLIGHTS TO INDIA

FROM KUWAIT

TO BOMBAY	FLT.NO.	DAY	DEP.	ARR.	ACFT.
AI 830	MON	2245	0510	A310	
AI 802	TUE	2300	0425	A310	
AI 884	WED	1930	0155	A310	
AI 816	THU	1630	0210	A310	
AI 826	FRI	0025	0650	A310	
AI 958	FRI	2300	0525	A310	
AI 850	SAT	2100	0650	A310	
AI 852	SUN	1050	1715	A310	

TO DELHI

FLT.NO.	DAY	DEP.	ARR.	ACFT.
AI 816	THU	1630	2320	A310
AI 850	SAT	2100	0350	A310

TO TRIVANDRUM

FLT.NO.	DAY	DEP.	ARR.	ACFT.
AI 826	FRI	0025	1020	A310
AI 978	FRI	0700	1450	A310
AI 930/820/MON	2245	0900	A310/A310	
AI 802/854/TUE	2200	0800	A310/A310	

TO GOA

FLTNO.	DAY	DEP.	ARR.	ACFT.
AI 802/402	TUE	2200	0905	A310/B747
AI 816/430	THU	1630	0750	A310

Kuwait NRI Forum executives meet

THE NRI Investors Forum in Kuwait was set up in Feb '86, under the patronage of N.N. Jha, Indian Ambassador to Kuwait. Since its formation, an executive committee was elected, consisting of 22 persons from a total of 150 members so far. Executive committee meetings and general members meetings are held regularly at the embassy premises. Members comprise a cross section of various professions such as bankers, insurance professionals, engineers, chartered accountants, architects, doctors, businessmen etc.

The purpose of the forum is to apprise members of developments in investment and industry in India, including changes in laws and also for advising members about new concessions or incentives given to NRIs by the government of India. In particular members are also encouraged to keep in touch with the common man i.e. skilled and non-skilled workers to apprise them of the developments in India and to guide them where ever required, since such people have no other means of keeping abreast.



The executive committee members of NRI Investor's Forum, Kuwait, held a meeting here last week to discuss the future plans of the organisation. Picture shows from (L to R sitting) K.A. Valsan (secretary), Rajen Nireeshwalia, Mrs Narinder Suri, C.S.S. Khanpuri (chairman), K.V. Mohan Menon (vice-chairman), R.P. Singh, Gururaj N. Rao (treasurer). Standing, first row: E. Sarangapani, Mohan Pillai, Harish T. Dhutia, K.R. Kanga, S. Arunachalam, N. Ramachandran, Vijay Kapur, S. Jayaprakash. Standing, second row: P.K. Mankad, S.N. Kamath, Abhay K. Mehta, Dr Leons Joseph Rajendran, M. Mathews and Mohammed Merchant.

Projects
The forum keeps in close contact with the Indian investment Centre which is a government agency, specially set up to assist NRIs in investments in industrial projects in India. The Embassy of India also supplies the forum with various infor-

mation they receive from the ministry of finance, and ministry of commerce, in particular the deliberation of the NRI Consultative Committee in New Delhi.

Gulf area and other parts of the world, with a view of creating a fellowship among NRIs in different areas and thereby hopefully to have a joint approach towards government of India with regard to the interests of NRIs.

India, Kuwait to activate trade flow

Indo-Kuwait trade has been in the range of Rs 400-500 crores per annum during the last 5-6 years. India's exports to Kuwait have remained stagnant at the level of Rs 150 crores over the last 7-8 years whereas there have been wide fluctuations in Indian imports from Kuwait.

The reason for stagnation in Indian exports is the nature of Indian export items which are of traditional nature. The demand for these products is inelastic and severe competition is being posed by the new entrants into the Kuwaiti market, namely, Taiwan, People's Republic of China,

Thailand, Australia etc. On the other hand India's imports from Kuwait have been consistently increasing for the last 10 years. The main items imported by India from Kuwait are crude petroleum, kerosene, distillate fuel, naphtha, urea and sulphur.

Exports
The main items of Indian exports to Kuwait in terms of value are gold-jewellery, rice, cardamom and other spices, fish, meat, bovine cattle, sheep, lambs, goats etc.

Other items having significant export value are fruits and vegetables, ready-made garments, Tata buses, tea, cof-

fee, edible-nuts and light engineering items. However, there is a scope for further increasing the export of the existing items and an addition of new items to India's export list.

At the invitation of the Ministry of Commerce, Government of India, a 4-member trade delegation headed by the Assistant Under Secretary, Ministry of Commerce and Industry, Government of the State of Kuwait, visited India and held first Indo-Kuwait bilateral trade review meeting in New Delhi recently with the Indian delegation which was led by J.N. Renjen, Joint

Secretary, Ministry of Commerce, Government of India.

The two delegations agreed considering the decline in the overall trade between the two countries. It was also agreed that there was a need for greater support from the respective governments in establishing contacts between the business organisations of the two countries. In this meeting, while noting that trade in Kuwait was largely in private hands, the Indian side suggested that Kuwait should consider imports made by government agencies in the areas such as army soft-ware, rice, pesticides, Continued on Page 14

Bank of Baroda record

NRI deposits cross \$770 million

BOMBAY: Bank of Baroda has the distinction of being the first among the nationalised banks to mobilise \$770 million as deposits from non-resident Indians.

Premjit Singh, chairman and managing director of the bank, has said that, considering the fact that the country is facing an adverse balance of payments, the banks with overseas presence have to make extra efforts in garnering more deposits from NRIs.

The bank has brought out a very informative booklet giving the salient features of the various deposit schemes offered by Indian banks to the NRIs. The bank's branches, spread worldwide, have been given the task of canvassing more deposits from their Indian clients.

Singh has said the bank will launch its mutual fund with a capital of Rs 100 crores by the

end of June, 1988.

Meanwhile, deposits of the bank for the year ended December, 1987, have risen to Rs 8,580 crores, a growth of 18 per cent over those in 1986.

The Indian deposits have risen by 16 per cent, while the non-resident deposits have gone up by Rs 226 crores to Rs 954 crores, an increase of about 31 per cent.

The global advances of the bank have gone up by Rs 647.7 crores to Rs 4,666 crores. The domestic credit totalled Rs 3,740 crores, recording a growth of 14.4 per cent.

Schemes
The net profit of the bank has improved from Rs 19.01 crores to Rs 21.75 crores, while the owned funds have risen by Rs 20 crores to Rs 160.94 crores.

The total outstandings under the various priority sector lend-

ing schemes have totalled Rs 1,560.2 crores against Rs 1,347.2 crores at the end of 1986.

The percentage share of the priority sector credit to total credit now stands at 43.6 per cent, against 42.3 per cent at the end of 1986.

The advances to the agricultural sector have increased to Rs 654.27 crores, while direct agricultural advances have increased by Rs 75.90 crores to Rs 576.05 crores. The advances to small-scale industries at the end of 1987 amounted to Rs 566.09 crores.

The outstanding credit against assistance to weaker sections has increased by Rs 63.89 crores to Rs 392.50 crores. The bank has actively participated in the various poverty alleviation programmes, including the IRDP.

NRI hopes soar

Continued from page 11

them or where they have participated in the expansion or diversification of the existing units.

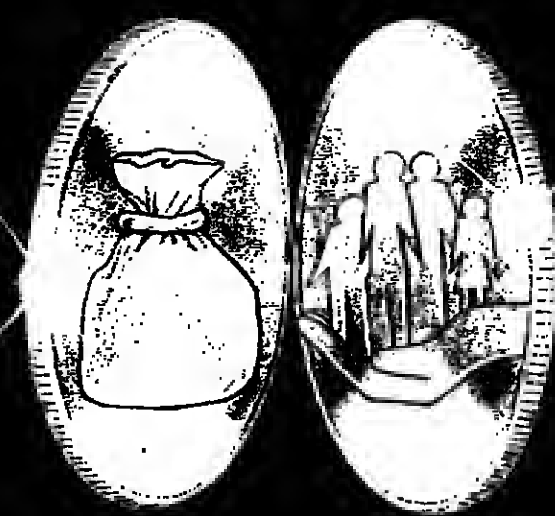
The policy allows NRIs to set up amusement parks if they import equipment from their foreign exchange savings.

No permission to sell the capital goods will be granted for a period of five years. Thereafter such sale would be allowed only with the prior permission of the Controller of Imports and Exports.

The policy says that neither the capital nor the profit will be allowed to be repatriated abroad.

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Investment in immovable property in India

By K.R. Sampath

THIS article aims to inform NRIs about some important aspects of the Exchange Control Regulations (FERA) and tax laws relating to NRI investment in immovable properties.

NRIs can broadly be divided into those who hold Indian passports and those who do not but are of Indian origin, i.e. either he or either of his parents or any of his grandparents was an Indian and a permanent resident of undivided India. Immovable property may be: a. residential house; b. residential flat; c. plot of residential house/flat; d. agricultural land; e. commercial land/property.

An immovable property can be acquired either by: a. purchase; b. through residential co-operative society; c. inheritance; d. lease; e. tenancy. While the Exchange Control Regulations have different requirements for NRIs who hold Indian passports and those NRIs who hold foreign passports, the tax laws do not make much difference except with regard to tax liability.

Indian passport holders

● Do not require permission for acquiring residential accommodation for personal use. There are also no restrictions as to the number of such properties they will be allowed to invest in.

However, as NRIs are prohibited to carry on real estate business there could be some restrictions which the RBI has powers to impose under section 11 of FERA.

Similarly, no permission is needed for sale. The investment

is on non-repatriation basis only. The provisions of section 31 of FERA do not apply to such NRIs.

● Since under section 29 of FERA no non-resident can carry on in India and any "activity of a trading or commercial nature" without the specific approval of the Reserve Bank of India, NRIs will not be permitted to acquire commercial property, agricultural land or purchase land which may be construed as for commercial nature e.g. acquiring a large piece of land and then dividing it into plots, selling a few plots and using the balance for the non-resident's own purpose.

However, RBI does not permit such acquisitions on a case to case basis.

● If any NRI has inherited property while still an NRI, approval of the RBI must be taken to hold the property, which is ordinarily granted.

● Any mortgage in favour of an NRI will require RBI permission under section 9 of FERA not so much for the mortgage, but for lending money to a resident mortgagor.

● Lease or tenancy for any duration can be acquired.

Non-Indian passport holders

● Non-citizens whether they are NRI or resident Indians require prior permission of RBI for acquiring any immovable property. Ordinarily no NRI non-citizen is permitted to hold more than one residential house.

● The investment will be on non repatriation basis.

● The application is to be on

Form IPI 1 and should be accompanied by a valuer's certificate to support the value of the property, and evidence of remittance of foreign exchange and/or funds in an ordinary non-resident account.

● Non-citizen NRIs cannot acquire any commercial property be it office buildings, plots of land or agricultural land. In this connection permission may be given on a case to case basis on merits, provided that carrying on a commercial activity was permitted under section 29 of FERA.

● If such persons inherit immovable property, they should approach the RBI and get permission to hold the property. Permission is ordinarily given in such cases.

● They cannot take on lease for over five years any property without prior permission of the RBI.

● Tenancy could be acquired by them.

● Prior to sale such persons require permission of the RBI. The application is to be made on Form IPI 2, and should be accompanied by an agreement for sale and a valuer's certificate.

Income tax:

● There is no notional income tax for owning property.

● If the property is let, on the income subject to deduction towards property taxes, insurance, etc. there will be a tax, provided the rent together with other Indian income (other than foreign exchange asset income which is subject to tax at a flat rate of 20 per cent) exceeds Rs 18,000 per year.

● If property is sold, the

gains will be subject to tax depending upon whether it is held for less than three years or over three years. If property is held for less than three years, the total gains will be treated as income, and in case of property held for over three years there will be a deduction of Rs 10,000 plus 50 per cent of the balance gains. The net amount will be treated as income subject to tax. Maximum rate of tax is 50 per cent on income over Rs 1 lakh.

● If a residential house and the total consideration received on sale is less than Rs 2 lakhs there is no tax on gains. If the consideration is over Rs 2 lakhs and if the total consideration is invested in another residential house within a year before or two years after, or a new residential house is constructed within three years, as long as the cost of the new house is more than the total consideration received on sale, there will be no tax. However, the new house should not be sold for at least three years to claim this exemption. It is also possible to invest the proceeds in Capital Units of UTI to avoid the payment of tax.

With a view to checking evasion of tax on purchase or sale of immovable property there are certain procedures to be complied with under the Income Tax Act.

One such procedure is when the property is worth more than Rs 10 lakhs, situated in a major city viz. Bombay, Madras, Calcutta and New Delhi — the government has a preemptive right to acquire the property at the consideration stated in the

agreement.

NRIs should be on guard while purchasing immovable property of value over Rs. 10 lakhs in these cities. In relation to other places also there are certain specific procedures. Failing to observe them will result in non-registration of transfer. Where RBI permission is sought it is possible that such preemptive right may not be exercised as the RBI would have considered the reasonableness of the price.

Wealth tax:

● Immovable property is chargeable to wealth tax.

● There is exemption upto Rs 5 lakhs (including other specified assets such as shares etc) in addition to Rs 2.5 lakhs basic exemption.

● Wealth tax rate is 1/2 per cent upto Rs. 10 lakhs and 2 per cent over Rs. 20 lakhs.

In the case of NRIs who are of Indian origin (foreign passport holders) and non-resident for tax purposes, the rate is 50 per cent of the above.

In the case of inherited immovable property there is no inheritance tax.

Conclusion:

Though internationally, real estate has always attracted investors who exploit situations to make handsome gains, India is to some extent closed. This avoids increasing costs and undue economic pressures to domestic investors.

It is advised that NRIs should seek guidance from experts in the field of tax, property law and FERA before acquiring immovable properties in India so as to avoid unnecessary difficulties.

India can also supply construction, equipment, industrial machinery items, boilers, builders hardware, etc.

In the field of projects, EPI had secured three major contracts in Kuwait, namely, Ain Baghze Housing Project, Sief Palace Extension Project and 35th Brigade Project.

All these projects have been completed. There are other private parties from India involved in smaller projects. A consortium approach is called for to win more number of contracts for projects in Kuwait.

NRIs must set up world body

Continued from page 12

Tax, only the assets as calculated for the assessment of Wealth Tax will be taken to ascertain the amount of Wealth Transfer Tax. He said that there are various problems being faced by returning Indians especially in the area of taxation. RIFEE Scheme etc.

He stated that in addition to the specified assets, there are derived assets, such as bonus shares and/or shares allotted as a result of amalgamation. These are mixed up and procedures to simplify taxation are essential.

Mehta strongly felt that there must be an assurance on the part of government to maintain strict secrecy in the case of finding out the source of funds of NRIs.

Elaborating the present status of Indian industries and possible participation of the NRIs in various ventures, Manu Chhabria, a leading businessman and industrialist based in the UAE, stated that it is time that the Indian industrialists realise that NRIs are not a threat to Indian industries, but are looking for long-term gains. He added, that about Rs 8,000 crores in foreign exchange balance is credited to NRIs every year which is equivalent to the foreign currency reserves of the Indian government. With more forbearance in place of persecution, India could easily attract a further Rs 2,000 crores per annum from NRIs.

Chhabria also said that India has one of the most stable political and economic systems in the developing world and that the investors' confidence in the country is sure to be rewarded.

Madhukar Gupta, resident director, Indian Investment Centre, Abu Dhabi, asserted that there are immense opportunities opened for NRIs for profitable investments in India and our country will gain more and more booming achievements in future. However, he felt that it was unfortunate that during the last 4-5 years, the NRI investments in the companies were not encouraging due to many unforeseen factors.

Jai Thirth Rao, vice-

Investment in public sector		
	Total investment (Rs. crores)	Number of enterprises
At the commencement of Plan I	29	5
At the commencement of Plan II	81	21
At the commencement of Plan III	953	48
At the end of Plan III (as on March 31, 1966)	2,415	74
At the commencement of Plan IV	3,902	85
At the commencement of Plan V	6,237	122
At the end of Plan V (as on March 31, 1979)	15,825	176
At the commencement of Plan VI	18,225	186
As on March 31, 1981	21,102	185
As on March 31, 1982	24,916	205
As on March 31, 1983	30,038	208
As on March 31, 1984	35,394	214
At the commencement of Plan VII	42,781	221
As on March 31, 1986	50,341	225

president, country business manager of Citibank, India said expatriate Indians today are viewed as an asset to our country. "Nobody talks about brain drain anymore. Instead, we talk about attracting investment funds from these individuals who are affluent, successful and presumably emotionally attached to India."

Reason

Rao said: "I believe that the important reason this changed perception has taken place is directly attributable to the phenomenal success of Indians overseas."

"Be it a doctor in the UK, a businessman in the Far East or an engineer in the Middle East or a scientist in the US, the expatriate Indian has emerged as a winner, as one who is here to stay. He or she now attracts the attention and interest of economists, sociologists, marketers and bankers."

He said Indian expatriates have emerged as successes of tremendous importance both in their host countries and back in the home country of India. Just to consider a few examples: "Mohan Murjani writes the book on consumer marketing in America, the very home of marketing. Manu Chhabria returns from across the seas to revitalise Indian companies with expatriate Indian capital. Zubin Mehta, while retaining his Indian roots becomes a symbol of the universal human

spirit. Karmarkar and Reddy belong to a group of talented persons who are literally writing the book of the future.

We, as a country, make no bones about it. We are looking for their investments."

Investment

The financial expert said in the '90s "India is almost certainly going to welcome expatriate Indian investment in real estate. The facts are quite simple. Most private wealth in the world is invested in real estate, not in stocks or banks deposits."

The investor has an emotional attachment to his investment that transcends mere return considerations.

On the other side, investment in housing particularly, is a crying need for the country and the goals of financial discipline can be met by restricting or taxing to some extent repatriability associated with gains in real estate.

S. Jayaprakash, convenor-technical sub-committee of Kuwait Forum, said during the last few decades, there has been a spectacular growth in technology, the like of which has not been witnessed in the earlier decades of the century. Many of the new inventions and discoveries have brought about a quantum change in our living society particularly in life styles and values apart from the changes in technology continue to be very fast without any indication of a possible levelling off.

Continued from Page 13
drugs and pharmaceuticals etc. from India.

The possibility of cooperation between the two countries in the area of operation and maintenance was also discussed by the two delegations. It was mentioned by the Indian side that keeping in view the infrastructure projects already implemented in Kuwait, several Indian companies were in a position to offer expertise for management and operation of projects in various fields, including, telecommunica-

India and Kuwait to expand ties

tions, hospital services, power supply and distribution, transport etc. It was explained to the Kuwaiti delegation that Indian companies could impart training to Kuwaiti personnel/technicians in various areas of operation and maintenance.

It has been agreed that similar bilateral trade review meeting should take place at least once in two years between the two countries. The next bilateral trade review meeting is

scheduled to be held at Kuwait in March 1990.

India has been assisting and cooperating with developing as well as some of the developed countries in setting up joint ventures with Indian machinery and equipment, management and expertise, know-how etc. A number of joint venture projects have been set up abroad with Indian assistance and participation in more than 30 countries.

These relate to industries such as textiles, sulphuric acid, light engineering, auto ancillary, hard tools, carbon block, machine tools, cement and rubber products, project consultancy and construction etc.

India is in a position to supply turn-key plants for industries such as cement, sugar, vegetable oil, paper, cotton textiles, thermal hydro-electric power generating plants etc.

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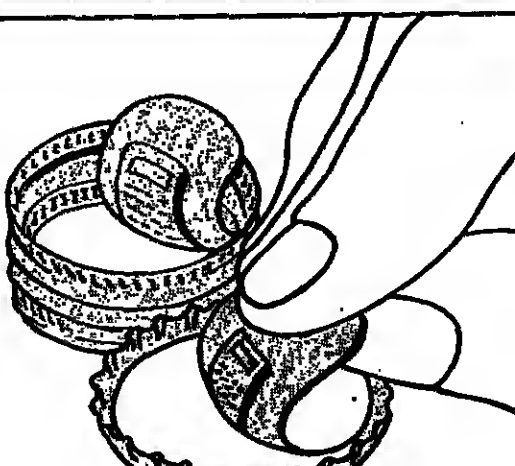


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Uncertainties seen in world economic outlook

Make India the best investment bet

By Ram K. Pipariya

THE late October dramatic falls in stock prices in all major markets have radically altered the global economic outlook in the US alone, \$1.2 trillion — more than the accumulated Third World debt of the last 20 years — was lost in just two weeks on the stock exchange.

The big chill stems from a central fact. Except for Tokyo, global stock markets dropped further than New York. While the Dow Jones industrial average fell 25 per cent between October 13, when the slide began, and November 10, London's Financial Times 100 index plunged 33 per cent, Paris and Milan dropped almost as much as London, while Frankfurt fell further.

Dive

Hong Kong took the deepest dive — 47 per cent over 29 days. In panic, the stock exchange shut down for four days. Singapore was down by 44 per cent. Sydney also dropped 44 per cent.

The key to any revival in global confidence lies in the two markets that together account for two-thirds of the world's equity capital — the US and Japan.

The two questions for equity investors around the world are: Can the US dodge a recession, and can Japan switch from an export economy to one based on domestic demand?

There is a feeling of uncertainty all around. In the US interest rates are edging down. The financial markets are unsettled by the stock crash. All forecasts point to a weak economy at least for a couple of quarters. Slower US economic growth, combined with a weaker dollar will inevitably lead to a slowdown in almost all the other countries.

Perhaps there will be two major exceptions — India and China. Both enjoy the benefits of a large size and a high rate of economic growth which exceeds that of the US and Europe.

Economies of both the coun-

tries are relatively insulated from the rest of the world. Whatever investment opportunities China offers are of academic interest to persons of Indian origin settled abroad. However, they can still bet on India as a relatively safe investment in a period of global uncertainties.

Growth

There are three factors which stand out in favour of India. First, India's economy, despite the current drought, rests on a much stronger foundation today than ever before. As a result, its growth rate is expected to be much higher than that of other countries. Second, the country now enjoys substantial political resilience. Third, the stock markets, after climbing a peak in February 1986, have climbed down more than two-thirds of their ascent, and they now seem close to bottoming out.

India today is in a state of transition. Snapshots from the press reflect the state of the economy.

"India's new middle class of around 100 million people have suddenly taken centre stage. In the process, India has ceased to be the by-word for poverty and come to be seen as the land of opportunity."

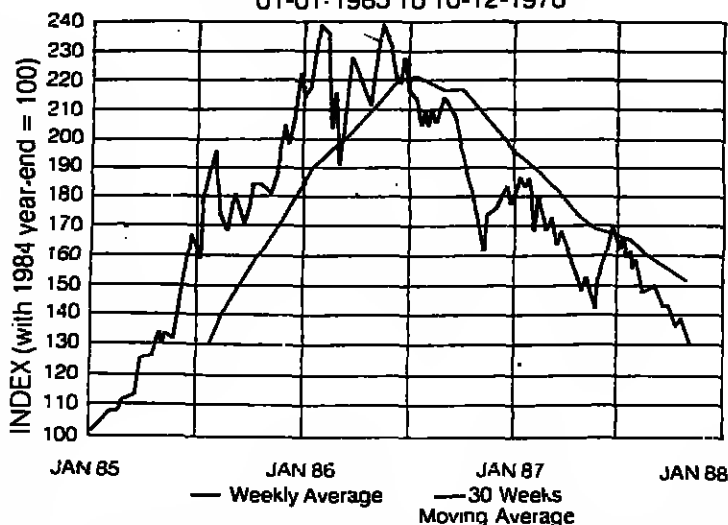
"The decade (1975-1985) has thrown up a new breed of farmers. Their achievement has helped the country to become self-sufficient."

"A remarkable development has been the unprecedented flower of small enterprises which have provided the platform on which broad based industrial growth can take place in the decade ahead."

India's population will grow at the rate of 2.2 per cent per annum but the economy will grow at an average rate of above 5-6 per cent per annum. In the past 40 years since independence, per capita income has increased by about 50 per cent in real terms. The next increase of 50 per cent over current levels will be achieved in just 15 years.

The contribution of agricul-

ARIDHI INDEX (WEEKLY)
01-01-1985 To 10-12-1987



ture to India's GNP has come down from 59 per cent in 1950 to 33 per cent in 1986, and will be still less at 25 per cent by 2000 A.D. The service sector which contributed 26 per cent in 1950 but 45 per cent in 1986, will account for 53 per cent of GNP in 2000 A.D.

Technologies

Contribution of the industrial sector would remain stabilised at current levels of 22 per cent of GNP. The mix measures the maturity of an economy.

India's market is enormously large. By 1990, it will have 230 million people in the 21-35 age group. Today, it is the world's largest market for two-wheelers. It already has more

than 1 million video sets. The country produced 9 million tonnes of oil in 1980, and 28 million tonnes in 1986. By 1990, the production of oil and usable gas will be 100 million tons equivalent of oil.

India is seeking out new technologies. It now approves more than three foreign collaborations every working day — or about 1000 every year. It encourages entrepreneurs. A project of \$10 million equivalent rupees can be set up with the promoter investing \$1 million or even less of his own money.

In an international perspective, India's stock markets are: (1) Small in size (2) Reasonably priced and (3) Growing at a fast

rate. The size of India's stock market in terms of market capitalisation is about one-tenth of that of Japan, and one-third of Hong Kong. It is, however, comparable to that of Malaysia, Taiwan and Singapore.

The US stock exchanges are capitalised at around 50 per cent of GNP. In Hong Kong and Singapore, the stock markets are bigger than the total GNP. Other Asian stock markets, however, are tiny in relation to the size of the economies in which they operate. South Korea's market for instance, is capitalised at less than 10 per cent of country's GNP, while India's is at only 8 per cent.

Reason

One reason for the small size of India's stock markets has been that until recently, almost all new projects relied heavily on debt-financing by government agencies. The days of easy access to banks and financial institutions are, however, now over.

Increasingly, companies, in both the private and public sector are being asked to tap the investing public directly.

Accordingly, if India's stock markets were to grow to equal even 25 per cent of GNP — they would mean a large ratio — they will offer many excellent opportunities to investors.

How reasonable are the share prices of companies listed

on India's stock markets? One of the popular indicators is the P/E ratio (share price divided by earnings per share) which reflects expectation of growth. A high P/E ratio is, therefore, justified in countries which expect to grow at a fast rate.

Slower

In India the average P/E ratio is now around seven only. Even countries like USA and UK have a higher P/E ratio of around 15, even though the GNP in these countries is expected to grow at a slower rate than India.

Available evidence therefore suggests that at current levels, India's stock markets are not overpriced. In fact, after the 1985/86 boom — when share prices of most Indian companies had more than doubled in less than 12 months, there has been a sharp decline in share prices during the past two years.

Now, as the market appears to be nearing the bottom, it is good timing for entering the stock markets of India. This is well illustrated by the trend of the Aridhi index which, like the Dow Jones Index, measures movement of about two dozen active scrips.

The author is the managing director of Aridhi Investment Consultants (P) Ltd., Bombay.

Promoters seek more NRI investments

THE Economic Survey, the 1988-89 budget and the excellent mid-term appraisal all underscore the fact that the country is now faced with a resources problem of considerable magnitude. Whilst these documents are principally concerned with financing the remainder of the public sector seventh plan, the inability of the private sector to attract resources for new projects in the current state of the capital market is increasingly apparent, the Business India has reported.

Several new issues for inherently profitable projects are undersubscribed and promoters of large projects make prolonged trips to West Asia in order to attract NRI investment support that a few years ago would have been taken for granted as forthcoming from the Indian public.

Pride

Sustained institutional campaigns in the newspapers to promote right issues even of existing profit making companies have become commonplace and are indicative of the apprehensions managements have of being able to raise the required resources.

The government takes pride in the fact that notwithstanding this year's drought and several earlier years of indifferent weather conditions, over three-fifths of the targeted central expenditure in "real terms" on the plan would be fulfilled in

the first three years of the plan. However, the mode of financing the plan has been very different from what was envisaged.

The plan has so far been financed by a far greater reliance on deficit financing and borrowings including non-budgetary borrowings of public sector companies than was originally envisaged.

Whilst the total amount of deficit financing in the entire plan period was originally estimated at Rs 14,000 crores, in the first three years alone total deficit financing has been around Rs 22,000 crores.

The accumulated borrowings over the years have led to a situation where interest payments are estimated at Rs 14,000 crores or 33 per cent of revenue receipts in 1988-89.

In fact, the net interest charges (government payouts less receipts) approximate the Rs 7,000 crores additional market borrowings expected in 1988-89.

Reasons

Since interest payments shall continue to rise, these are likely to offset or more than offset future market borrowings.

The reasons why we have come to this pass are not far to see. In 1979-80, the centre's revenue expenditure was greater for the first time than revenue receipts, and the gap has generally widened each year from -0.6 per cent of GDP in 1979-80 to -2.1 in 1987-88.

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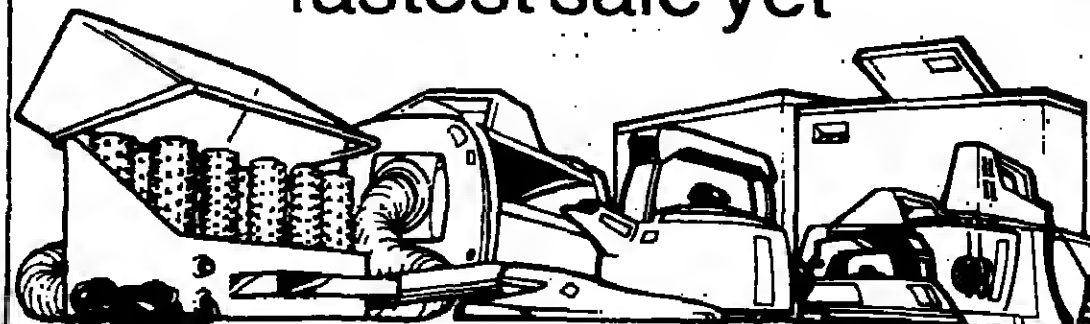
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CRENSHAW AND CALCAVECCHIA SHARE SECOND PLACE

Lyle retains two-shot Masters lead

AUGUSTA, Ga., April 10, (Reuters): Sandy Lyle, bidding to become the first British golfer to win the Masters tournament, shot a level par 72 yesterday to take a two-stroke lead into the final round of the year's first major championship.

"I'm reasonably pleased," the 30-year-old Lyle said after he failed to extend the two-stroke lead he enjoyed after 36 holes.

"I'd rather be two shots ahead than behind," said Lyle, fresh from his finest 54 holes in seven Masters.

The 1985 British Open champion, trying to become only the fourth foreigner to win a Masters jacket, was two in front of American Mark Calavecchia, who also matched par, and Ben Crenshaw, who fired a five-under-par 67 — the best of the day.

Demanding Bernhard Langer of West Germany and Americans Fuzzy Zoeller and Fred Couples were two more shots behind at 214, two under par for three rounds over the Augusta National Golf Club's demanding, 6,905-yard course.

Lyle, who made the turn four holes behind Calavecchia, failed to keep that margin by bogeying twice on the tough back nine.

"The back nine was disappointing. I had a run of bad luck starting on 13," Lyle said of the famous 465-yard par 5 where many Masters have been won and lost.

Lyle said he was trying to reach the green in two, but he hooked his tee shot into a creek



Lyle waves to the spectators after sinking a birdie putt. (Reuters wirephoto)

and had to settle for a six.

"I mis-hit the drive and paid for it," Lyle admitted.

He also bogeyed the 170-yard 16th when he failed to hit the big green with his 7-iron tee shot.

But he was not discouraged. "The main thing is to win it now," said Lyle, who has already won two events on the American PGA Tour this year, including

last week's Greater Greensboro Open.

Crenshaw, who won here in 1984, had a bogeyless round which included five birdies — but none on the par 5s, which most players find the easiest to birdie.

"It was the kind of round I needed. I was very, very happy with it," said Crenshaw, who won the Doral Open this year.

Crenshaw, the best putter on the American Tour last year, jumped into contention with birdies on the final two holes, draining a 30-foot putt on 17 and a "straight uphill" putt of 12 feet on the difficult 18th.

Calavecchia, who has won twice in three years on the tour, failed to gain on Lyle when he, too, made two bogeys on the back nine — negating an eagle three on the 500-yard 15th hole. "I'm not disappointed at all," the 28-year-old Calavecchia said, probably remembering the third round last year — his only other Masters appearance — when he shot a 78.

Langer, who in 1985 joined with South African Gary Player and Spaniard Seve Ballesteros as the only foreign masters champions, liked his position after a 71 which kept him within four shots of the lead.

"We all know how difficult it can be to play in the last group," he said, referring to the leaders. "Even with a five-shot lead going into the back nine anything can happen."

Zoeller, who fired a six-under 66 on Friday — the best round of the tournament — also could have been closer to Lyle, but he had back-to-back bogeys on 15 and 16.

The 1979 Masters champion, the only one to win in his first visit to Augusta, was also pleased that Lyle did not run away from the field.

"I thought Sandy would take off — he's played so well this year," Zoeller said of Lyle, who is the leading money winner on the

US Tour so far.

Couples, who is looking for his first victory in a major championship, also linked his position four shots off the pace.

"I can't picture anyone shooting 65 tomorrow," he said. "It's not the kind of course where you can go out and talk about shooting even 8."

One of the players in the 46-man field who is definitely capable of shooting 65 is Ballesteros, who was tied at 216 with former champion Craig Stadler and Don Pooley.

Ballesteros, who became the youngest Masters champion when he won the first of his two green jackets in 1980 at the age of 23, was extremely relaxed and confident after shooting a 70, his first sub-par round this week.

"I'm not in a hurry to win another Masters — have plenty of time," Ballesteros said. "I'm just going to go out and enjoy the facilities and the sunshine."

Bogeyed

Ballesteros, who finished tied for the lead last year but bogeyed out of the play-off which Larry Mize eventually won over Norman, had nothing but kind words for Lyle.

"The man can play great golf, so we have to watch out," he said. "I know Sandy can handle the pressure very well."

Asked why there might be more pressure on Lyle on this Sunday, compared to any other Sunday, Ballesteros summed it up:

"There is only one Augusta National and there is only one Masters — that's the difference."



Blue Jays' catcher Ernie Whitt (left) slides safely home. (Reuters wirephoto)

Snyder and Candiotti help Indians triumph

CLEVELAND, April 10, (AP): The Cleveland Indians, who had the worst pitching in baseball last season, have the best this year — for one week, anyway.

Cory Snyder drove in three runs and Tom Candiotti pitched an eight-hitter as the Indians beat the winless Baltimore Orioles 12-1 yesterday.

Cleveland lowered its team earned run average to 1.02 after compiling a Major League-worst 5.28 in 1987. The Indians have won four straight since losing their opener at Texas, and the 4-1 start is their best since they went 5-0 in 1966.

Candiotti, 1-0, a knuckleball specialist, struck out six and walked three. His shutout was spoiled in the ninth inning when Larry Sheets singled with the bases loaded on Friday. Scott Bailes blanked Baltimore 3-0 on three hits.

Tigers 11, Royals 4 Ray Knight hit Dan Quisenberry's first pitch for a two-run double, keying a seven-run seventh inning that carried Detroit to an 11-4 victory over Kansas City.

The game included five balks, including three on Detroit starter Jack Morris, 2-0. Morris pitched eighth innings and allowed six hits and Mike Henneman pitched the ninth.

Blue Jays 10, Twins 0 Jimmy Key pitched a three-hitter over six innings and Jesse Berfield and Fred McGriff each homered and drove in two runs, leading Toronto past Minnesota 10-0.

Key, 2-0, whose 2.76 earned run average last year led the AL,

yielded only Greg Gagne's first-inning single, Tim Lardner's sixth-inning double and Dan Gladden's sixth-inning infield hit.

Yankees 4, Brewers 1 Rookie Al Leiter allowed four hits over seven innings and Ricky Henderson hit a two-run homer as New York remained the American League's only undefeated team with a 4-1 victory over Milwaukee.

Mariners 3, White Sox 2 Rey Quinones doubled and scored on Henry Colto's two-out single in the 10th inning, giving Seattle a 3-2 victory over Chicago.

Red Sox 2, Rangers 1 Sam Horn's ninth-inning sacrifice fly snapped a tie and Roger Clemens allowed five hits over eight innings as Boston beat Texas 2-1.

Athletics 6, Angels 6 Mark McGwire hit a three-run homer in the top of the ninth inning, giving Oakland an 8-6 victory over California.

Trailing 6-4, Jose Canseco singled leading off the ninth against California's Donnie Moore, 1-1. Moore halted Canseco to second and Dave Parker's single scored Canseco.

Results

National League

Cincinnati 5 Houston 4

Philadelphia 9 New York 3

San Francisco 3 San Diego 1

Montreal 10 Chicago 6

Los Angeles 11 Atlanta 3

St. Louis 3 Pittsburgh 0

American League

Cleveland 12 Baltimore 1

New York 4 Milwaukee 1

Toronto 10 Minnesota 4

Detroit 11 Kansas City 4

Boston 2 Texas 1

Seattle 3 Chicago 2

Oakland 8 California 6

OBCC beat Young Stars

OLD BOYS Cricket Club (OBCC) beat Young Stars by six wickets in a friendly match at the Airport-Millat ground on Friday.

Batting first, Young Stars were all out for 150 in 23.4 overs. Naem was the top scorer with 46 while Ifikhar hit 31. For OBCC, skipper Ghulam Haider took four wickets, including a hat-trick, while Riaz Chaudhry and Ifikhar Hussain got two each. Javed Shah picked up one wicket.

Leave

OBCC started badly losing both their openers without any score on the board. In the third over, Ihsan took his third wicket to leave OBCC at 18 for three.

Zafar Iqbal was joined by Ghulam Haider and the two batsmen stopped the rot. Both played cautiously at the start but soon settled down to execute some beautiful strokes. They put on 105 runs for the fourth wicket.



Haider: unbeaten 92

Zafar was out after scoring 40 but Ghulam Haider remained unbeaten on 92 as his team went past the victory target without further loss. Haider hit a six and 12 fours.

Okamoto fires 63 for top spot

SAN DIEGO, Calif., April 10, (Reuters): Defending champion Ayako Okamoto of Japan fired an eight-under-par 63 yesterday to grab a one-stroke lead entering the final round of the \$225,000 San Diego Classic golf tournament.

Okamoto's 63, a personal best, gave her a three-day total of 10-under-par 203 and a one-shot advantage over American Colleen Walker, the second-round leader. Walker added a 69 to her 107 to stay in contention.

Ok-Hee Ku of North Korea was four strokes off the pace on 07 with Americans Judy Dickson and Patty Sheehan.

Okamoto, who was five strokes behind Walker when the round began, tore up the par-71 toneridge Country Club course, sinking five birdies on the outside and three coming back.

She said her approach shots, which yielded no bogeys, were so good that it scared her.

Recorded

"I only had one putt outside 20 feet," said Okamoto, who won her events last year and has recorded 11 victories in her seven-year career on the USGA tour.

"There were a lot of putts that missed," she said. "If I would have made some of them, I would have shot in the 50s. It scared me."

Walker was pleased with her round but said there was little she could do to keep up with Okamoto.

"I played well today, but you can't take anything away from somebody who shot a 63," said Walker. "Ayako will definitely be my toughest competitor tomorrow."

Espinosa wins after double bogey by Lin

TAIPEI, April 10, (Reuters): Mexico's Carlos Espinosa was tugging in the clubhouse at the Linseng Golf and Country Club pining a beer when he was handed victory in the Taiwan Open today.

Taiwanese Lin Chi-Hsiang, laying on his home course, needed only a par five at the final hole for victory in the eighth leg of the Asian circuit.

But Lin, boosted by sinking a difficult 10-foot putt on 17th, drove out of bounds with an iron and double bogeyed the 18th to finish a stroke behind Espinosa, who had finished with birdie.

Best

"I never thought about winning," said Espinosa, whose under-par 68 was the best of the tournament.

Leading scores (Taiwanese less strokes): 93 Carlos Espinosa (Mexico) 75 74 68

94 Lin Chi-Hsiang 73 75 73 73

95 Lee Wen-Sheng 77 74 71 73

96 Rick Gibson (Canada) 80 75 69, Cheo Liang-Hsi 74 80 69

97 David Smith (Australia) 79 73 69, Hsieh Min-Nan 74 75 76

98 Craig McClellan (US) 74 73 72, Richard Foreman (Ireland) 76 80 69 72, Tsao Chien-sheng 76 74 75 72, Lu Chieh-Soon 75 74 73

Major task ahead for Al Hilal

By Gail Seery

REIGNING National Champion Ahmed Al Hilal has a major task ahead of him in Friday's local rally. Although he took an early lead in the Kuwait Championship with a win in his Rothmans-backed Toyota Corolla, he failed to make it to the end of the first stage for the international, and picked up only four points for starting, towards his championship bid.

To make matters worse for Hilal, the KTMSD chairman, double points were awarded for the event, and this put Josef Miskulinj who was first Kuwait entrant, and Faez Chihab who was hard on his heels, well ahead of Hilal.

His mechanical problems during the event were all the more upsetting for being unexpected. He had been approaching the fences on the first stage when the car suddenly died. "The car was moving but there was no power. I



Al Hilal in action in the season's first rally

tried to shift gears, but there was nothing. I tried to restart, but nothing. I stopped and tried to fix it, but when I saw that the available 30 minutes was finished I did not continue."

Although Hilal and co-driver Fahad Al Rasheed were certain that the problem lay with the timing belt, they "opened the engine to see if there was any damage. We are fixing it now and it should be ready in good time for the event."

Hilal is philosophical. "This is a very long season. Only two rallies are done, there are seven more." He feels that there is plenty of time to regain his lead, and in the light of his past successful championship bids it has to be conceded that there is a good deal of truth in this assessment.

Last season Al Hilal took the championship through steady tenacity, and although he did not win any event outright, he nevertheless kept gaining respectable results which in turn gave him enough points to claim the title with a good margin over Ahmed

Al Zafiri, his nearest rival.

Hilal feels that Friday's local rally will be demanding in all its aspects. "It's hard for drivers, as you can only reach high speed for a maximum of 200 metres. It's tough on the car in the same way. I think it's tougher than the international."

Hilal stresses that co-driver and good preparation are very important for Friday's rally.

Allowance

Again, the timing of the event is crucial. "There is less time allowance towards the end of the event, but it's towards the end of the day that the service time will be most needed."

Al Hilal is very grateful to Rothmans, his sponsors, who have given him a car, and enabled him to make sure that it is always ready for the events — a luxury he does not feel he enjoyed last year. His bid to retain his title for the third successive year is ambitious, but with a good car behind him he will have the opportunity to drive faster and aim for top results.

Dutch soccer

AMSTERDAM, April 10, (Reuters): A late goal by striker Wim Kieft steered PSV Eindhoven to a 1-0 win over AK Alkmaar and their third successive Dutch First Division soccer championship yesterday.

With just one defeat in 30 matches, PSV have amassed 54 points while averaging more than three goals a game.

With the championship in the bag, the Eindhoven side can now concentrate on their second leg European Cup semifinal tie.

Monaco tame Brest to stay on top

PARIS, April 10, (Reuters): France's three star teams retained their positions at the top of the First Division ladder but Marseille and Montpellier elbowed out Auxerre and Saint-Etienne to take fourth and fifth place in matches yesterday.

A timid Monaco managed a late 2-0 rally at home against lowly Brest to keep a five-point ladder lead, with goals from Marcel Dih and Jean-Marc

Ferratte in the 55th and 76th minutes.

Second-placed Bordeaux showed stronger form with a convincing 3-0 away victory over middle-of-the-field Toulon, while Maitre Racing Paris drew 1-1 with Paris Saint-Germain.

But with only seven rounds to go before the end of the season, Auxerre lost two vital points and fell to sixth place when a revived and aggressive Lens won 2-1 on home turf.

Saint-Etienne, trailing Auxerre in seventh place, also slipped on a spectacular 5-0 battering from Montpellier, with Roger Milla kicking goals in the 8th, 52nd and 75th minutes.

Montpellier's win took the team to place five on the ladder, trailing Marseille who climbed two places after a 2-1 win at home against Laval thanks to West Germans Klaus Allofs and Karlheinz Foerster.

Liverpool poised to complete League and FA Cup double

LONDON, April 10, (Reuters): When Ian Rush flew out from Liverpool's Speke Airport last year clutching a first-class one-way ticket to Turin, soccer sages queued up to heap scorn on the team he was leaving behind.

Even with the Welshman's unerring instinct for sniffing out goals like a tramp finding cigarette ends, Liverpool had failed to win a single trophy in 1986-87. Without Rush, so the wise men said, the former champions of Europe would slide quietly into further decline.

One year on and with Rush now a fallen idol at Juventus, Liverpool are poised to complete their second English League and FA Cup double in three seasons, much to the embarrassment of those soccer "scholars".

Thrilling

The First Division championship is all but secure, and yesterday Liverpool reached their eighth FA Cup final by beating Nottingham Forest 2-1 in a thrilling semifinal at Hillsborough, Sheffield.

With an 11-point lead and two games in hand over Manchester United, Liverpool should clinch their ninth League title in 13 seasons long before they visit Wembley on May 14 to meet unfashionable Wimbledon in the Cup final.

It is difficult to imagine Wimbledon, who overcame Luton Town 2-1 in the other semifinal at White Hart Lane, Tottenham, depriving Kenny Dalglish of yet another remarkable record.

Dalglish, Scotland's most capped player and joint holder of the Scottish international goal-scoring record with Denis Law, will probably be remembered as the greatest Liverpool player of all time.

He also led the club to the League and Cup double — emulating the post-war feats of Tottenham Hotspur (1961) and Arsenal (1971) — in his first season as manager in 1985-86.

But he will derive more personal satisfaction from another double, with a team he was forced to piece together after Rush's departure.

Dalglish replaced Rush with Oxford United's prolific scorer John Aldridge, who struck both goals against Forest to take his total for the season to 25, and also bought John Barnes (Wat-



Barnes (centre) keeps Forest's Des Walker at bay as Baardaley (right) looks on. (Reuters wirephoto)

ford), Peter Beardsley (Newcastle United) and Ray Houghton (Oxford) in an extensive refurbishment.

All have been outstanding successes and, equally important, Liverpool have won a host of new admirers for the quality of their play.

Dalglish, a naturally ebullient at the final whistle, said: "I'm delighted for Liverpool, and everyone associated with the club, to be at Wembley again. Everybody contributed to our win and worked hard."

"Aldridge made a tremendous contribution, but so did everyone else — including the four or five players who weren't in the side."



Wimbledon's John Scales (top) and Luton's Mick Harford jump for a high ball watched by Luton's Brian Sten (No. 8). (Reuters wirephoto)

Looking ahead, Dalglish adopted his familiar low-key approach and added: "We haven't won anything yet, but it's within our hands and destiny to do so."

Following his manager's line, Aldridge played down his role in the win over Forest by saying: "It means a lot to me to score two goals in any match, but don't

make me out to be a hero. "It was a team performance. All 11 Liverpool players were match-winners, not just me."

In its way, Wimbledon's achievement is equally praiseworthy, though they have precious few admirers for their unique style which has led to a string of cautions and sendings off this season.

It is only five years since Wimbledon first emerged from the Fourth Division under then-manager Dave Bassett, now with Sheffield United, and the majority of their fans will have woken up on Sunday morning fearing it has all been a dream.

Bassett was naturally delighted with the semifinal news from White Hart Lane and sent a message to his old boys: "Have a bloody good day for them."

"It's a great day for them," he said. "When it comes to Wembley, they won't worry about Liverpool. They will get on with their own game and hopefully lift the Cup."

Important

Free-transfer signing Dennis Wise, who scored the Wimbledon winner after John Fashanu had cancelled out Mick Harford's opening goal for Luton, said: "I've got a knack for nicking the important ones."

"It was my goal which put us on top of the First Division for a brief spell earlier in the season."

And club chairman Sam Hamman enthused: "This is the country of the underdog, the whole of England will be rooting for us at Wembley. What we did is an achievement for all the little men... if Wimbledon can do it in football, any small man can do it in any business."

Wimbledon's long-serving striker Alan Cork, who has been with the club since their Fourth Division days, said: "Everyone was in tears."

"It's fantastic, after 10 years the smallest club in the world — and one that no-one likes — is going to Wembley."

Bright Stars outclass Siddique

A 138-run partnership between Mohammed Ali and Danny for the 5th wicket helped Bright Stars enter the final of the Pakistan Trophy cricket tournament with a five-wicket victory over Siddique at the NC ground on Friday.

Siddique, batting first, scored 202 for the loss of nine wickets in their 30 allotted overs. Mohammed Ali dismissed Amjad for eight but Shahid and Tariq put on 70 runs before the former was out for 61.

The other batsmen of note were Shahid who scored 42, Khalid Jr 39 and Sajid 21. Mervyn was the pick of the bowlers and took three wickets while Mohammed Ali and Arshad got two each and Saeed one.

Slipping

Bright Stars started their innings on a disastrous note losing both their openers with the score only nine runs. Arun and Lewis took the score to 33 before the former was out for 12, caught behind.

Bright Stars lost another wicket and were soon reeling at 54 for 4 in 11 overs.

The game seemed to be slipping out of when Danny, promoted in the batting order, joined Mohammed Ali. Both the batsmen produced some excellent strokes and took the score to 195 before Mohammed Ali was out for 79. He hit three sixes and four fours.

Danny remained unbeaten on 70, hitting eight fours and a six, as he guided his team past Siddique's total without any further loss.

For Siddique, Asif took two wickets while Amjad, Tariq and Zahid got one each.

Italians quit over long jump scandal

ROME, April 10, (Reuters): Five Italian athletics officials resigned yesterday after being implicated in result-fixing by an inquiry into the men's long jump at last year's World Championships in Rome.

The resignations came during a marathon meeting of the Italian Athletics Federation (Fidal) ruling council, headed by International Amateur Athletics Federation (IAAF) president Primo Nebiolo, who has also come under pressure over the affair.

Fidal said in a statement after the meeting it had accepted the resignations of national men's coach Enzo Rossi and four judges.

They were Marco Mannisi, Paolo Giannone, Tommaso Ajello and Sergio Maggari.

Report

The five were named in the inquiry held by the Italian Olympic Committee which published a report last month saying a bronze medal jump by Italy's Giovanni Evangelisti had been over-measured.

Fidal agreed to a request by a sixth judge also implicated in the scandal, Francesco Bertolotti, for his case to be further examined.

Nebiolo, who is president of both the national and international federations, told journalists after the meeting: "There have been distressing decisions, but now I hope the affair will be closed. We have a lot to do this season... there are the Olympics,"

SPORTS

SPORTS BRIEFS

Ajax triumph

AMSTERDAM, April 10, (Reuters): Ajax Amsterdam, almost sure of their second successive place in a European Cup Winners' Cup final after a 3-0 midweek win over France's Olympique Marseille, continued their hot form with a 3-1 victory over Willem II in the Dutch League today.

Belgian GP

GENK, Belgium, April 10, (Reuters): Frenchman Jean-Michel Bayle retained his lead in the world championship standings by winning the Belgian 125 cc Motocross Grand Prix today.

Hattiesburg golf

HATTIESBURG, Miss., April 10, (Reuters): Dave Eichelberger fired a six-under par 64 to move into the lead with Lance Ten Broeck on eight-under-par 202 after three rounds of the \$200,000 Hattiesburg golf classic.

British soccer

LONDON, April 10, (Reuters): Results of British soccer matches played today: Division Three: Northampton 2, Mansfield 0; Division Four: Cambridge 1, Wolverhampton 1.

Violent fans

MUNICH, West Germany, April 10, (AP): More than 30 people were injured and 27 arrested when soccer fans, angered by their team's defeat, went on a violent rampage, police said today. Munich Police said the trouble began after Bayern Munich defeated Schalke 04 by a score of 8-1 in a match late yesterday.

Title fight

ECHEOLLES, France, April 10, (Reuters): Frenchman Rene Jacquot retained his European light-middleweight boxing title yesterday when the referee stopped the fight against Eric Taton of Belgium in the 12th round.

W.German boxer

HAMBURG, West Germany, April 10, (Reuters): West German Rene Weller has surrendered his European lightweight title and retired from competitive boxing.

Filipino bowling

THERE will be a meeting of all bowling teams participating in the 1988 Filipino Mini-Olympics on Thursday, April 14, at the Mahuhay Restaurant at 6 pm.

NBA games

NEW YORK, April 10, (Reuters): Results of National Basketball Association (NBA) games played yesterday (only games scheduled):

Detroit	115	Atlanta	102
Dallas	135	Denver	109
Milwaukee	105	Indiana	100
Phoenix	95	Sacramento	97
Portland	119	L.A. Lakers	109
Houston	108	Seattle	104

Asian swimming

BEIJING, April 10, (AP): Chinese swimmers took home four more gold medals and set a new Asian record in the women's 100-metre butterfly yesterday to continue their dominance in the Asian Swimming Championships in Canton.

1991 Games

MEXICO CITY, April 10, (AP): The president of the Pan American Sports Organisation congratulated Cuban authorities yesterday after reviewing their plans for hosting the 1991 Pan American Games, the Cuban news agency Prensa Latina said.

Women's relay

KIRUNA, Sweden, April 10, (AP): Norway, anchored by Anette Boe, easily beat three Soviet Olympic champions by 19.3 seconds yesterday in a women's 3 x 5-kilometre cross-country relay at the last major Nordic ski meet of the season.

SABATINI SWEEPS ASIDE GARRISON

Navratilova edges Maleeva for final



Navratilova sends a backhand return. (Reuters wirephoto)

HILTON HEAD ISLAND, South Carolina, April 10, (AP): Top-seeded Martina Navratilova and No. 2 seed Gabriela Sabatini are right where they want to be — in the final of the 16th annual Family Circle Magazine Cup women's tennis tournament.

But they took different routes to get there.

Navratilova, struggling for the second straight day, defeated Manuela Maleeva 6-7, (6-8), 6-4, 6-2 yesterday in one semifinal, while Sabatini downed sixth-seeded Zina Garrison 6-0, 6-0.

In the doubles finals, the No. 2-seeded team of Navratilova and Lori McNeil beat the top-seeded pair of Sabatini and Claudia Kohde-Kilsch 2-6, 6-2, 6-3.

Offset

Maleeva used a patient, baseline game with some pinpoint passing shots to offset Navratilova's serve-and-volley, attacking style for a set and a half. But Navratilova cut down on her errors and played more from the baseline as the 2-hour, 36-minute match went on to avoid being upset.

"She played exactly as I knew she was going to," Navratilova said, "and as well."

"Again, it was a matter of me making the mistakes or making the winners than her forcing the

action," she said. "But that's the way she plays. She's very steady. She's a fighter. I'm just happy that I pulled it out."

Navratilova, 31, of the United States, led 4-1 after winning the first three games. But Maleeva, 21, of Bulgaria, broke Navratilova twice to tie it at 4-4.

The players held serve from there to force a tie-breaker on a sunny afternoon. Navratilova led 6-3 but made four unforced errors on the next five points, enabling Maleeva to win 8-6 and end the nearly 90-minute first set.

Maleeva's success called to mind last year's semifinal in which she upset Chris Evert before losing to Steffi Graf in the finals. It was also the second straight match in which Navratilova has lost the first set. She lost 6-4 in the first set to Raffaella Reggi in Friday's quarterfinals before winning the final two sets 6-2, 6-3.

Maleeva did nothing to keep the crowd from thinking an upset was in the works early in the second set. Maleeva, ranked sixth in the world, led 4-2 after twice breaking Navratilova, who had a pair of double faults to lose her serve in the fifth game.

But Navratilova began to stay on the baseline more instead of attacking, and the strategy paid off. She won the next four games, breaking Maleeva at love to win the set.

Navratilova, who had not played in the Family Circle since 1983 when she won the second of her two straight titles, won the first five games of the last set and then put the match away by breaking Maleeva in the eighth game.

"I'm very disappointed," Maleeva said. "I missed a chance, an opportunity ... of course, I'm happy that I played well, although I don't think I played by best."

In the other semifinal, Sabatini did not lose a game, although Garrison, ranked 11th in the world, forced six deuce games — including the first three in the second set.

But Sabatini won the next two games at love and then served for the match, which lasted 1:16.

"I just got killed. That's all I can say," said Garrison, 24, of the United States. "She didn't miss at all. She kept me on the run all the time."

"She had ... what it takes to be the No. 1 player in the world."

Sabatini said she is playing among the best — but not the best — tennis of her career.

Sabatini now takes on a player she has beaten only twice in nine matches. She has lost 14 of 18 sets to Navratilova but beat her the last time they met, 6-4, 7-5 in the 1987 Virginia Slims Championships.

Australia edge past England in re-match

PERTH, Australia, April 10, (Reuters): England captain Tony Greig settled a personal grudge against David Hookes but could not prevent an Australian victory by three wickets in the century Test re-match today.

Hookes had been taking charge of the match, with 61 runs including two sixes and four fours. But the left-hander, who hit five fours off successive deliveries from Greig in the 1977 century Test, fell victim to the captain after adding only a single.

Hookes was tempted by Greig to play a huge swipe over mid-wicket, missed and was stumped by wicketkeeper Bob Taylor, who also took four catches in the match.

Greig capped his unbeaten 59, scored off 55 balls in 97 minutes, took Australia to a winning 216 for seven in reply to England's 215 for nine.

The star of England's innings was Derek Randall, who had four sixes and three fours as he scored 69 off 67 balls before being mistimed a big hit at Gary Cosier and was caught by Gary Cosier.

Scores: Australia 216 for seven (David Hookes 62, Greg Chappell 59 not out), England 215 for nine (Derek Randall 69, Keith Fletcher 42).

US Grand Prix

MONTEREY, Calif., April 10, (Reuters): American newcomer Wayne Rainey posted the fastest qualifying time yesterday and was to lead a field of 22 riders in this evening's 500cc division of the US Motorcycle Grand Prix.

Rainey negotiated the recently expanded 3.55 km Laguna Seca raceway circuit aboard a Yamaha in the third of four practice sessions in one minute, 29.214 seconds, an average speed of 88.613 miles per hour.

Rainey, 27, is competing for the first time this year on the 500cc Grand Prix circuit.

Al Hilal and Unity reach Al Mulla final

UNITY and Al Hilal reached the final of the Al Mulla Mitsubishi Hockey Cup after victories over Kuwait Independent and Punjab respectively in Ahmadi on Friday.

In the first semifinal, Unity edged Kuwait Independent 3-2. Both the teams were balanced and the game was quite close. Nasir scored twice for Unity while Iftikhar got the third. Pincho and Milroy were on target for Kuwait Independent.

Failed

Al Hilal beat Punjab 1-0. Both the teams launched a number of attacks on each other's goals but failed to find the mark, except on one occasion when Al Hilal's Amjad heat the rival goalkeeper. The final will be held on Friday, April 15, at 4.15 pm.

A friendly match between Punjab and Eleven Brothers is in honour of Abdul Wahab, who is leaving Kuwait. The match is being sponsored.

Jordan hand Pakistan 2nd defeat

KUALA LUMPUR, April 10, (Reuters): Jordan handed Pakistan its second defeat, through a solitary goal scored by Adnan Al Torck in the 44th minute on the third day of the Asian Cup soccer qualifying round today.

The Pakistanis who lost 0-4 to host Malaysia on the first day, were again let down by poor finishing in front of the Jordanian goalmouth on this slippery pitch.

Saved

In the 42nd minute, Pakistan's Abdul Wahid, making a solo effort, saw his header saved on the line by Jordan's defender Ra'ed Assaf but was rewarded with a deflection. However, his second attempt was palmed away for a corner by keeper Milad Abasi.

Following a counter raid by the Jordanians three minutes later, Assaf's shot was deflected into Al Torck's path and he headed in the winner.

American becomes undisputed champion

Holyfield stops Deleon in 8th round

LAS VEGAS, April 10, (Reuters): Undeclared Evander Holyfield of the United States battered Puerto Rican Carlos Deleon to become the undisputed world cruiserweight champion yesterday when the referee stopped their bout in the eighth round.

Holyfield had Deleon pinned on the ropes and was scoring at will to the beat with both hands when he landed a right to the head that sent blood from a cut over Deleon's left eye, opened earlier in the round, spraying out of the ring.

Referee Mills Lane stopped the bout one minute eight seconds into the round.

Deleon, a former World Box-

ing Council (WBC) cruiserweight, entered the bout on 11-1 underdog and was never a threat to Holyfield, who pounded him throughout.

Holyfield, in adding the WBC crown to his World Boxing Association (WBA) and International Boxing Federation (IBF) titles, becomes only the second boxer to be recognised as champion by all three major sanctioning bodies.

"This is my finest fight as a cruiserweight," Holyfield said later.

"I'm pretty much ready for anything. James Tillis seems to be my next opponent."

Holyfield was on top of Deleon from the start, hammer-

ing his head and body with right hooks off left jabs over the Puerto Rican's lowered left hand.

Deleon made it easy for Holyfield, electing to stand by the ropes and trade punches instead of moving as he usually does.

The bout had a brutal sameness to it from the opening bell. Deleon stayed on the ropes, covering, seldom countering, while Holyfield hammered first the body and then, by the fifth round, the head.

The closest Holyfield came to scoring a knockdown was early in the second when a left-right to the head wobbled Deleon's legs and sent him reeling across the

Roma lose to Sampdoria

Milan stay in touch with Napoli

ROME, April 10, (Reuters): A spectacular goal by Dutch striker Marco van Basten on his first League appearance in five months kept AC Milan in touch with champions Napoli at the top of the Italian soccer First Division today.

Van Basten, 23, who has been out of action since cracking an ankle home last November, came on in the second half of Milan's home tie against bottom club Empoli.

Curling

Fifteen minutes later from just outside the area, he lofted a magnificent curling shot into the right-hand corner of the net.

Napoli, four points ahead of Milan, beat Internazionale 1-0 at home with yet another goal by captain Diego Maradona from one of his favourite and most productive set pieces.

The Argentine superstar, who leads the First Division's scoring table with 13 goals this season, secured victory in the 21st minute from a free kick just outside the

penalty area, chipping the ball round Inter's defensive wall into the net.

Third-placed Roma lost 2-0 at home to an energetic Sampdoria, slipping four points behind Milan.

Sampdoria, fourth in the League, scored through top international striker Gianluca Vialli in the 66th minute and Fulvio Bonomi from the penalty spot 10 minutes later.

Ill-starred Juventus, suffering their worst season for many years, salvaged a 1-1 draw away at Ascoli after going behind in the seventh minute following a goal by Paolo Giovannelli.

Massimo Mauro saved the Turin club's point, scoring in the 30th minute.

Competition at the top of the Second Division sharpened with numerous clubs scrambling for four promotion places.

Topclub Bologna and second-placed Atalanta both drew leaving six points covering the top seven clubs. Lazio, Lecce, Cremonese,

Catanzaro and Bari are all in contention.

Results			
Ascoli	0	Juventus	1
Como	0	Avellino	0
Florentino	0	Fisa	0
A.C. Milan	1	Empoli	0
Napoli	1	Inter	0
Roma	0	Sampdoria	2
Torino	2	Pescara	0
Verona	0	Cesena	1

Standings			
Leading scorers (goals) under played, won, drawn, lost, goals for and against, points:			
Napoli	25	18	5
Milan	25	14	9
Roma	25	13	7
Sampdoria	25	12	8
Torino	25	7	13
Inter	25	9	8

WBC fight

CASIGNO, Italy, April 10, (AP): Salvatore Bottiglieri retained his World Boxing Council (WBC) featherweight title with a unanimous decision in a rematch last night with Colombian challenger Alvaro Bohorquez.

Pakistan slam W. Indies Under-23



Rameez: hammered 82

CASTRIES, St. Lucia, April 10, (Reuters): Pakistan batted on until lunch on the second day of their four-day cricket match against the West Indies Under-23s today and added 109 runs to reach 426 for six for the loss of Ejaz Ahmed.

Ejaz was dismissed after 25 minutes for a fine 84, which included ten fours and a six. Having been dropped by James Adams at midweek for 66 off Barrington Brown, he was well caught by the same fieldsman at extra cover off leg-spinner Rajendra Dhanraj.

Reach

Wasim Akram, after a slow start, struck three sixes and four fours to reach 41 at lunch while Ejaz Faqih progressed somewhat laboriously to 49.

Yesterday Pakistan took advantage of an easy-paced wicket to pile up 317-5 by the end of the opening day of the match.

Topscorer for the tourists was Rameez Raja, who made 82 off 109 balls and put on 87 for the first wicket with Mudassar Nazar.

Despite hitting 12 fours,

Rameez was not at his fluent best and was twice dropped at short leg off Nehemiah Perry before clipping the same bowler to mid-wicket.

Perry, a 19-year-old off-spinner from Jamaica, was the pick of the young West Indian bowlers, showing admirable control in taking 3 for 85 off 30 overs yesterday.

His two other victims were Mudassar (30) and Sboah Mohammed (17) who were both bowled, by a quicker ball and via an inside edge respectively.

An attractive half-century was scored by Salim Malik, who made 53 off 117 balls.

Yesterday, Ejaz with Aamer Malik, put on 84 for the fifth wicket, before Aamer was caught at first slip for 43 trying to cut medium-pace Barrington Brown.

Aamer, who took 47 minutes to get off the mark, yesterday added 49 with Salim Malik for the fourth wicket. This partnership had ended when Salim was caught behind attempting to cut a long hope from left-arm spinner James Adams.



Wilander (right) and Edberg during their doubles match against Meier and Smid on Saturday. (Reuters wirephoto)

France complete 5-0 sweep over Australia

CLERMONT-FERRAND, France, April 10, (Reuters): France, who had already clinched their semifinal place yesterday wrapped up a 5-0 victory over Australia in their Davis Cup world group quarterfinal today.

Henri Leconte scored a laborious 9-7 7-5 victory over John Fitzgerald, who deputised for ailing Darren Cahill, and Yannick Noah hastened the end with a 6-2 6-4 win over Mark Woodforde.

Noah and Guy Forget had settled the issue yesterday by beating Fitzgerald and Wally Masur in the doubles.

France had not beaten Australia since 1925 and had lost all but one of their eight previous Davis Cup duels.

Fitzgerald said he thought Cahill, a Davis Cup debutant like Woodforde, had suffered from food poisoning.

"Darren was sick this morning. Wally and I had to toss the coin — and I lost. It was as simple as that," Fitzgerald said.

"We had a pretty good night last night, playing cards and watching golf on TV. If I'd known I'd have gone to bed a little earlier."

In Frankfurt, Boris Becker and Eric Jelen won the last two singles matches today to give West Germany a 5-0 sweep of their quarterfinal against Denmark.

Becker, ranked fourth in the world, outclassed Morten Christensen 6-3 6-4 in just over an hour.

Mayotte outplays Davis

CHICAGO, April 10, (AP): No. 2 seed Tim Mayotte defeated Scott Davis 6-1, 7-5, yesterday to earn a berth in the finals of the \$15,000 Volvo Chicago Tennis Championships against eight-seeded Paul Annacone.

Annacone of Knoxville, Tennessee, won an earlier semifinal match over third-seeded Brad Gilbert of Piedmont, California, 6-3, 3-6, 6-4.

After an easy first set in which Mayotte of Boston broke Davis' serve in the second game, the two players traded four service breaks from the third through the sixth games.

But after holding serve in the 11th game of final set, Davis' serve failed him again and he finally lost the match when he delivered a return into the net.

"I did not play good tennis, but it was good enough to win," Mayotte said.

Everything went right in the first set, but to be honest, I did not feel I had a real test. Scott has

had the flu for the last few weeks on and off, but he really hung in there in that second set," Mayotte said.

Mayotte has beaten Annacone in four of five previous meetings, including two weeks ago when Annacone failed to survive the round of 32 at the Lipton International in Florida.

Annacone, ranked 50th in the world, took advantage of Gilbert's inability to keep the ball in play.

Annacone, who dumped Jimmy Connors on Friday, used a variety of drop shots and passing shots to dispose his opponent.

He won the match in the 10th game of the third set with two overhead slams.

Annacone has not won a major tournament since 1985, but had beaten Gilbert twice in their three previous matches.

He finally broke Gilbert in the seventh game of the opening set by picking up a pair of dazzling drop shots.



Carl Llewellyn lies beneath his horse after taking a fall at Becher's Brook in the Grand National steeplechase on Saturday at Aintree, England. The race was later won by Rhyme 'N' Reason ridden by Brendon Powell. (Reuters wirephoto)